



Commonwealth of Virginia
Virginia Information Technologies Agency

SUPPLIER MANAGED STAFF AUGMENTATION SERVICES

MANDATORY USE CONTRACT

Date: January 31, 2007

Contract #: VA-051123-CAI

Authorized User: State Agencies, Institutions, and other Public Bodies
as defined in the VPPA

Contractor: Computer Aid Inc.
470 Friendship Road
Suite 300
Harrisburg, PA 17111

FIN: 23-2180878

Contact Person: John Williams
Voice: 717-651-3058

Term: November 23, 2005 – November 22, 2007

Pricing (Rate Cards): Pages 19 – 30

Zones: Page 31

Payment: Net 30 days

For Additional Information, Please Contact:

Technical Information:
Supply Chain Management
Virginia Information Technologies Agency

Jenny Larus
Phone: 804-371-0920
E-Mail: jenny.larus@vita.virginia.gov
Fax: 804-371-5969

NOTES: Individual Commonwealth of Virginia employees are not authorized to purchase equipment or services for their personal use from this Contract.

For updates, please visit our Website at <http://www.vita.virginia.gov/procurement/contracts.cfm>

CONTRACT # VA-051123-CAI
CONTRACT CHANGE LOG

[illegible]

SUPPLIER MANAGED STAFF AUGMENTATION CONTRACT AMENDMENT

Contract No. VA-05-1123-CAI
Amendment No. 00008

Master Contract No. VA-05-1123-CAI by and between the VITA and Computer Aid, Inc. is amended as follows:

Master Contract No. VA-05-1123-CAI is amended to change the definition of a "batch" of resumes or a "round" from 5 resumes to a minimum of 3 and a maximum of 5 resumes. This amendment has no financial impact.

The effective date of this Amendment is January 1, 2007 or upon execution whichever is later.

ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL MASTER CONTRACT REMAIN IN FULL FORCE AND EFFECT.

THIS AMENDMENT, consisting of 1 page(s) and 1 attachment(s), is executed by the persons signing below who warrant that they have the authority to execute this Amendment under the original Master Contract.

IN WITNESS WHEREOF, the AGENCY and the CONTRACTOR have signed this Amendment.

Computer Aid Inc.

James P. Caoney
Signature

General Manager Government
Title

Date

Dec. 14, 2006

VITA SCM

Philip P. Papp
Signature

ASSOC DIRECTOR, SCM
Title

Date

1/30/07

SUPPLIER MANAGED STAFF AUGMENTATION *CONTRACT AMENDMENT*

Contract No. VA-05-1123-CAI

Amendment No. 00007

Master Contract No. VA-05-1123-CAI by and between the VITA and Computer Aid Inc is amended as follows:

EXHIBIT B Performance Service Standards is amended to change the standard on "Receipt of Subsequent Batches of Resumes" from 24 hours to 48 hours.

EXHIBIT D JOB RATE CARDS and SMSA RFP APPENDIX B JOB TITLES AND DESCRIPTION are amended to change the associated rates, in the job descriptions below, to reflect market data presented to VITA in our semi-annual rate review.

Database Administrator
Functional Architect
Product Specialist

The effective date of this Amendment is September 25, 2006 or upon execution whichever is later.

ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL MASTER CONTRACT REMAIN IN FULL FORCE AND EFFECT.

THIS AMENDMENT, consisting of 1 page(s) and 1 attachment(s), is executed by the persons signing below who warrant that they have the authority to execute this Amendment under the original Master Contract.

IN WITNESS WHEREOF, the AGENCY and the CONTRACTOR have signed this Amendment.

Computer Aid Inc.



Signature

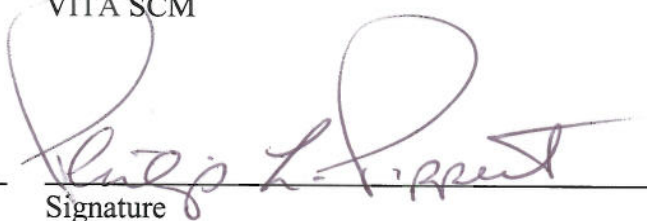
GM Government Division

09/18/2006

Title

Date

VITA SCM

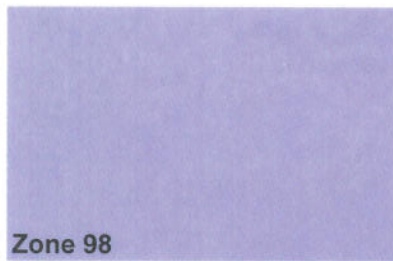


Signature

Assoc DIRECTOR

Title

10/17/06
Date



Current Contract Rate
Current ERI Rate
Rate Differential

Database Administrator Level 1
Database Administrator Level 2
Database Administrator Level 3

\$ 47.35	\$ 49.28	\$ 1.93
\$ 51.36	\$ 54.61	\$ 3.25
\$ 60.65	\$ 66.59	\$ 5.94

Functional Architect Level 1
Functional Architect Level 2
Functional Architect Level 3
Functional Architect Level 4

\$ 35.93	\$ 37.85	\$ 1.92
\$ 40.74	\$ 43.13	\$ 2.39
\$ 45.46	\$ 48.29	\$ 2.83
\$ 58.87	\$ 63.00	\$ 4.13

Product Specialist Level 1
Product Specialist Level 2
Product Specialist Level 3

\$ 44.97	\$ 46.31	\$ 1.34
\$ 49.71	\$ 51.58	\$ 1.87
\$ 62.89	\$ 65.80	\$ 2.91

MODIFICATION # 7
TO
CONTRACT NUMBER VA-051123-CAI
BETWEEN THE VIRGINIA INFORMATION TECHNOLOGIES AGENCY
ON BEHALF OF THE COMMONWEALTH OF VIRGINIA
AND
COMPUTER AID, INC.,

This MODIFICATION #1 is an Agreement between the Virginia Information Technologies Agency (hereinafter referred to as "VITA"), pursuant to §2.2-2012 of the Code of Virginia and on behalf of the Commonwealth of Virginia, and Computer Aid, Inc. ("Supplier") to modify Contract Number VA-051123-CAI, as previously amended ("Contract"). This Modification is, upon execution by VITA and Supplier, incorporated into and made an integral part of the Contract.

The purpose of this Modification is as follows:

1. Delete Section 8 (H) entitled "CAI's Report of Sales and Industrial Funding Adjustment" (p.9) from the contract. The parties agree to replace the language in Section 8 (H) with new contractual language. (See below.)
2. Incorporate into the Contract the statutorily mandated terms and conditions effective July 1, 2006 (see url <http://www.vita.virginia.gov/procurement/documents/StatutorilyMandatedTsandCs.pdf> and the new eVA fee structure for suppliers. <http://www.vita.virginia.gov/procurement/documents/eVATsandCs.pdf>
3. Incorporate a term and condition which requires Supplier to comply with the Federal Lobbying Act.

The parties agree to the following:

1. SUPPLIER REPORT OF SALES AND INDUSTRIAL FUNDING ADJUSTMENT

The parties agree to delete Section 8(H), p. 9 of the contract entitled "CAI's Report of Sales and Industrial Funding Adjustment" and replaces the deleted section with the language below:
Section 8 (H) – CAI's Report of Sales and Industrial Funding Adjustment

By the 10th day of every month, the Supplier shall submit the "Supplier Monthly Report of Sales". A template showing the format in which the report is to be submitted is available at <http://www.vita.virginia.gov/procurement/supplierResources.cfm>. The report shall be submitted via electronic mail to the VITA IFA Coordinator and the VITA Controller (contact information provided below), and shall report all invoices submitted by Supplier pursuant to the Contract to all Authorized Users during the preceding month. The report shall also show a cumulative record of all invoices submitted to all Authorized Users pursuant to the Contract.

The Supplier shall submit the Industrial Funding Adjustment (IFA) payment for the period covered by such "Supplier Monthly Report of Sales" within thirty (30) days of submitting the "Supplier Monthly Report of Sales". The IFA payment shall be submitted in the form of a check or electronic funds disbursement made payable to the Treasurer of Virginia. The IFA payment is equal to two percent (2%) of total sales under this Contract during the relevant month, as determined by the amount invoiced to Authorized Users. The IFA payment shall reference this Contract number, "report amounts", and "report period".

Supplier shall remit IFA payments made via check to VITA, Attention VITA Controller. Supplier shall also provide a copy of the IFA payment to the VITA IFA Coordinator via email or fax. Failure

to comply with reporting and payment requirements of this section may result in default of Contract.

Contact Information

VITA Controller 110 South 7 th Street, 3 rd Floor Richmond, VA 23219-3931 VITAController@vita.virginia.gov	VITA IFA Coordinator 110 South 7 th Street, 1 st Floor Richmond, VA 23219 804-371-5980 (Phone) 804-371-5969 (Fax) ifacoordinator@vita.virginia.gov
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2. STATUTORILY MANDATED AND REQUIRED EVA TERMS AND CONDITIONS

The parties agree to delete Section 14(B), p. 12 entitled "Incorporated Contractual Provisions and replace the deleted language with the following:

Section 14(B): "Incorporated Contractual Provisions

The contractual provisions at the following URL are statutorily mandated provisions that are hereby incorporated by reference:

<http://www.vita.virginia.gov/procurement/documents/StatutorilyMandatedTsandCs.pdf>

The contractual claims provision §2.2-4363 of the Code of Virginia and the required eVA provisions at <http://www.vita.virginia.gov/procurement/documents/eVATsandCs.pdf> are also incorporated by reference.

The terms and conditions in documents posted to the aforereferenced URLs are subject to change pursuant to action by the legislature of the Commonwealth of Virginia or the adoption of revised eVA business requirements. If a change is made to the terms and conditions, a new effective date will be noted in the document title. Supplier is advised to check the URLs periodically.

3. COMPLIANCE WITH FEDERAL LOBBYING ACT

a. Supplier shall not, in connection with this Agreement, engage in any activity prohibited by 31 U.S.C.A. Section 1352 (entitled "Limitation on use of appropriated funds to influence certain Federal Contracting and financial transactions") or by the regulations issued from time to time hereunder (together, the "Lobbying Act"), and shall promptly perform all obligations mandated by the Lobbying Act in connection with this Agreement, including, without limitation, obtaining and delivering to the Commonwealth all necessary certifications and disclosures.

b. Supplier is hereby advised that a significant percentage of the funds used to pay Supplier's invoices under this Agreement may be federal funds. Under no circumstances shall any provision of this Agreement be construed as requiring or requesting the Supplier to influence or attempt to influence any person identified in 31 U.S.C.A. Section 1352 (a) (1) in any matter.

c. A representative of Supplier shall sign the certification attached as Attachment "A" and deliver such certification to the Commonwealth simultaneously with the execution and delivery of this Agreement. Supplier shall have the certification signed by a representative with knowledge of the facts and shall fulfill the promises of undertakings set forth in the certification.

The foregoing is the complete and final expression of the agreement of VITA and Supplier to modify the Contract and cannot be modified, except by a writing signed by duly authorized representatives of both parties hereto.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS MODIFICATION ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THE CONTRACT AND ACKNOWLEDGE THAT EACH PARTY TO THE CONTRACT AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT, AS MODIFIED HEREIN.

Executed as of the last date set forth below by the undersigned authorized representatives of VITA and Supplier.

Supplier

By:

John E. Williams

(Signature)

Name:

John E. WILLIAMS

(Print)

Title:

Director of Managed Staffing Services

Date:

9-5-06

VITA

By:

Philip L. Pippert

(Signature)

Name:

Philip L. PIPPERT

(Print)

Title:

Assoc Director

Date:

9/13/06

ATTACHMENT "A"

For The

Virginia Information Technologies Agency

(a) CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (α) a. No Federal appropriated funds have been paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement.
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and Contracts under grants, loans and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature:

John E. Williams

Printed Name:

John E. Williams

Organization:

Computer Aid, Inc.

Date:

9/5/06

SUPPLIER MANAGED STAFF AUGMENTATION *CONTRACT AMENDMENT*

Contract No. VA-05-1123-CAI
Amendment No. 00006

Master Contract No. VA-05-1123-CAI by and between the VITA and Computer Aid Inc is amended as follows:

The SMSA contract is amended to add an exception category to accommodate unique requests for staff augmentation that do not fit into any of the job categories listed in SMSA RFP APPENDIX B JOB TITLES AND DESCRIPTION.

This amendment has no financial impact. The new exception category will be incorporated into the Peopleclick VMS tool for use by VITA.

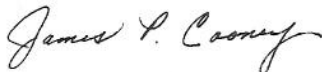
The effective date of this Amendment is July 16, 2006 or upon execution whichever is later.

ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL MASTER CONTRACT REMAIN IN FULL FORCE AND EFFECT.

THIS AMENDMENT, consisting of 1 page, is executed by the persons signing below who warrant that they have the authority to execute this Amendment under the original Master Contract.

IN WITNESS WHEREOF, the AGENCY and the CONTRACTOR have signed this Amendment.

Computer Aid Inc.



Signature

GM Government Division

Title

07/09/2006

Date

VITA SCM



Signature

Assoc - Director, SCM 7/19/06

Title

Date

JOB TITLES AND DESCRIPTIONS

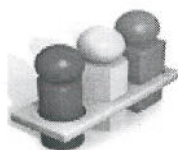
1. SENIOR CONSULTANT :

The Senior Consultant is responsible for evaluating existing systems and/or new user needs to analyze, design, recommend, and implement information system changes. Consultants typically are familiar with a variety of the field's concepts, methodologies, practices, and procedures and rely on experience and judgment to plan and accomplish goals. Consultants are able to perform a variety of complicated tasks with minimal or no direct supervision. Defines system and application architecture and provides vision, problem anticipation, and problem solving ability to organization.

Consults with client to define need or problem, conducts research, performs studies and surveys to obtain data, and analyzes problems to advise on or recommend solutions, utilizing knowledge of theory, principles, or technology of specific discipline or field of specialization.

May lead and direct the work of others. A wide degree of creativity and latitude is expected. Typically reports to and/or receives strategic direction from an executive or a manager.

Senior Consultant 1	
Years of Experience:	8 to 11 years
Job Description:	<ul style="list-style-type: none"> ▪ Understands government business process and operations ▪ Ability to transition business processes into business and technical requirements ▪ Project Management experience ▪ Reviews, analyzes, and evaluates business systems and user needs ▪ Works well with IT and functional areas ▪ Designs architecture for an organization on an enterprise level ▪ Evaluates and revises business processes ▪ Leads and directs the work of others ▪ Anticipates and resolves issues ▪ Sets deadlines, assigns responsibilities, and monitors progress ▪ Proficient in one or more project management tools ▪ Ensures that all project goals are accomplished according to specifications and business objectives ▪ Determine time estimates and schedule for own work and resolve issues in a timely manner ▪ Identify and track issues, risks and action items ▪ Anticipate, identify, track and resolve issues and risks affecting own work and work of the project team. Develop contingency plans as necessary. ▪ Consistently provides accurate and detailed estimates ▪ May analyze or recommend commercially available software or other IT architectural components ▪ Execution of all responsibilities with little direct supervision



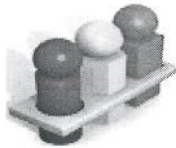
Computer Aid, Inc.

Contract IT

The Right Staff, the Right Skills, Right Now.



	<ul style="list-style-type: none"> ▪ Proficient in one IT architectural discipline ▪ Proficient in developing and providing high-level executive briefings ▪ Mentor and coach peers ▪ Provide knowledge transfer to peers ▪ Provides strategic consultation direction to management
Senior Consultant 2	
Years of Experience:	12 to 20 years
Job Description:	<p>All roles specified in Senior Consultant 1 plus the following:</p> <ul style="list-style-type: none"> ▪ Provides measurable intellectual capital in developing solutions and solving problems ▪ Experience developing architectural components to functional, technical and industry standards ▪ Coordinate work with other IT professionals on system development teams ▪ Generally aware of new developments in industry and process and has ability to apply them to work as appropriate ▪ Proficient in more than one IT architectural discipline defined as information technology, computer programming, computer security, computer systems analysis, database management, information systems, internet applications and development, software development, and related fields. ▪ May manage or oversee the tasks and priorities of one or more supervisors or team leaders ▪ Advises client on alternate methods of solving need or problem, or recommends specific solution ▪ Mentor and coach peers and subordinates ▪ Provide knowledge transfer to peers and subordinates
Senior Consultant 3	
Years of Experience:	More than 20 years
Job Description:	<p>All roles specified in Senior Consultant 2 plus the following:</p> <ul style="list-style-type: none"> ▪ Develop executive management presentations and reports ▪ Engage in ongoing process improvement ▪ Detailed functional and process knowledge of their discipline(s) ▪ Utilize deep modeling, design and assembly skills ▪ Builds system's capability which reflects the highest state of technical sophistication consistent with the organization's needs and budget ▪ Recommends insights that contribute to overall organization's strategic management ▪ Consults with management to determine information requirements of management, scientists, or engineers, determine boundaries and priorities of new projects, and discuss system capacity and equipment acquisitions ▪ Reviews project feasibility studies and makes recommendations ▪ Provides independent verification and validation



Computer Aid, Inc.

Contract IT
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- | | |
|--|--|
| | <ul style="list-style-type: none">▪ May assign and schedule work, or delegate work to subordinate managers and supervisors, and review work performed▪ May prepare proposals and solicit sale of systems analysis, programming, and computer services to outside firms or agencies▪ Mentor and coach managers, peers and subordinates▪ Provide knowledge transfer to managers, peers and subordinates |
|--|--|

SUPPLIER MANAGED STAFF AUGMENTATION *CONTRACT AMENDMENT*

Contract No. VA-05-1123-CAI
Amendment No. 00005

Master Contract No. VA-05-1123-CAI by and between the VITA and Computer Aid Inc is amended as follows:

EXHIBIT D JOB RATE CARDS and SMSA RFP APPENDIX B JOB TITLES AND DESCRIPTION are amended to add the Sr. Consultant job descriptions with associated rate entries as shown in the Attachments.

This amendment has no financial impact. The new job descriptions will be incorporated into the Peopleclick VMS tool for use by VITA.

The effective date of this Amendment is July 1, 2006 or upon execution whichever is later.

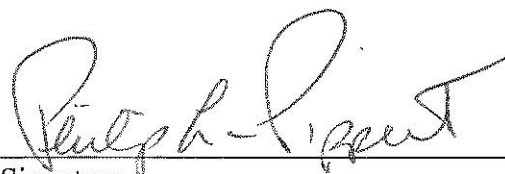
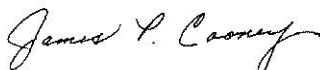
ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL MASTER CONTRACT REMAIN IN FULL FORCE AND EFFECT.

THIS AMENDMENT, consisting of 1 page(s) and 2 attachment(s), is executed by the persons signing below who warrant that they have the authority to execute this Amendment under the original Master Contract.

IN WITNESS WHEREOF, the AGENCY and the CONTRACTOR have signed this Amendment.

Computer Aid Inc.

VITA SCM



Signature

Signature

GM Government Division

06/27/2006

Title

Date

ASAC Director, SEM

7/19/06

Title

Date

Zone 98		
Job Title		Bill Rate
Senior Consultant Level 1		\$ 124.20
Senior Consultant Level 2		\$ 154.60
Senior Consultant Level 3		\$ 182.43

SENIOR CONSULTANT

The Senior Consultant is responsible for evaluating existing systems and/or new user needs to analyze, design, recommend, and implement information system changes. Consultants typically are familiar with a variety of the field's concepts, methodologies, practices, and procedures and rely on experience and judgment to plan and accomplish goals. Consultants are able to perform a variety of complicated tasks with minimal or no direct supervision. Defines system and application architecture and provides vision, problem anticipation, and problem solving ability to organization.

Consults with client to define need or problem, conducts research, performs studies and surveys to obtain data, and analyzes problems to advise on or recommend solutions, utilizing knowledge of theory, principles, or technology of specific discipline or field of specialization.

May lead and direct the work of others. A wide degree of creativity and latitude is expected. Typically reports to and/or receives strategic direction from an executive or a manager.

Senior Consultant 1	
Years of Experience:	8 to 11 years
Job Description:	<ul style="list-style-type: none"> ▪ Understands government business process and operations ▪ Ability to transition business processes into business and technical requirements ▪ Project Management experience ▪ Reviews, analyzes, and evaluates business systems and user needs ▪ Works well with IT and functional areas ▪ Designs architecture for an organization on an enterprise level ▪ Evaluates and revises business processes ▪ Leads and directs the work of others ▪ Anticipates and resolves issues ▪ Sets deadlines, assigns responsibilities, and monitors progress ▪ Proficient in one or more project management tools ▪ Ensures that all project goals are accomplished according to specifications and business objectives ▪ Determine time estimates and schedule for own work and resolve issues in a timely manner ▪ Identify and track issues, risks and action items ▪ Anticipate, identify, track and resolve issues and risks affecting own work and work of the project team. Develop contingency plans as necessary. ▪ Consistently provides accurate and detailed estimates ▪ May analyze or recommend commercially available software or other IT architectural components ▪ Execution of all responsibilities with little direct supervision ▪ Proficient in one IT architectural discipline ▪ Proficient in developing and providing high-level executive briefings ▪ Mentor and coach peers ▪ Provide knowledge transfer to peers



Computer Aid, Inc.

Contract IT

The Right Staff, the Right Skills, Right Now.

	<ul style="list-style-type: none"> Provides strategic consultation direction to management
Senior Consultant 2	
Years of Experience:	12 to 20 years
Job Description:	<p>All roles specified in Senior Consultant 1 plus the following:</p> <ul style="list-style-type: none"> Provides measurable intellectual capital in developing solutions and solving problems Experience developing architectural components to functional, technical and industry standards Coordinate work with other IT professionals on system development teams Generally aware of new developments in industry and process and has ability to apply them to work as appropriate Proficient in more than one IT architectural discipline defined as information technology, computer programming, computer security, computer systems analysis, database management, information systems, internet applications and development, software development, and related fields. May manage or oversee the tasks and priorities of one or more supervisors or team leaders Advises client on alternate methods of solving need or problem, or recommends specific solution Mentor and coach peers and subordinates Provide knowledge transfer to peers and subordinates
Senior Consultant 3	
Years of Experience:	More than 20 years
Job Description:	<p>All roles specified in Senior Consultant 2 plus the following:</p> <ul style="list-style-type: none"> Develop executive management presentations and reports Engage in ongoing process improvement Detailed functional and process knowledge of their discipline(s) Utilize deep modeling, design and assembly skills Builds system's capability which reflects the highest state of technical sophistication consistent with the organization's needs and budget Recommends insights that contribute to overall organization's strategic management Consults with management to determine information requirements of management, scientists, or engineers, determine boundaries and priorities of new projects, and discuss system capacity and equipment acquisitions Reviews project feasibility studies and makes recommendations Provides independent verification and validation May assign and schedule work, or delegate work to subordinate managers and supervisors, and review work performed May prepare proposals and solicit sale of systems analysis, programming, and computer services to outside firms or agencies Mentor and coach managers, peers and subordinates Provide knowledge transfer to managers, peers and subordinates

SUPPLIER MANAGED STAFF AUGMENTATION CONTRACT AMENDMENT

Contract No. VA-05-1123-CAI
Amendment No. 00004

Master Contract No. VA-05-1123-CAI by and between the VITA and Computer Aid Inc is amended as follows:

Exhibit B – Performance Service Standards is amended to reflect changes in the Receipt of Subsequent Batches.

This amendment has no financial impact. The changes will be incorporated into the current SLA process.

The effective date of this Amendment is 2/21/06 or upon execution whichever is later.

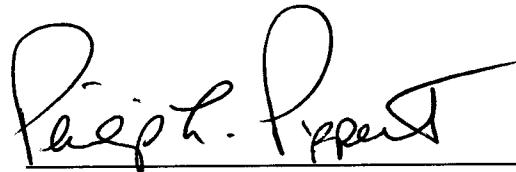
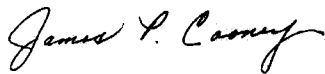
ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL MASTER CONTRACT REMAIN IN FULL FORCE AND EFFECT.

THIS AMENDMENT, consisting of 1 page(s) and 1 attachment(s), is executed by the persons signing below who warrant that they have the authority to execute this Amendment under the original Master Contract.

IN WITNESS WHEREOF, the AGENCY and the CONTRACTOR have signed this Amendment.

Computer Aid Inc.

VITA SCM



Signature

Signature

GM Government Division 02/21/2006

Title

Date

ASSOCIATE DIRECTOR, SCM 3/2/06

Title

Date

Exhibit B - Performance Service Standards

Performance Metric	Description	Standard	Performance Target	Calculation	Frequency of Review
Work Request Confirmation	Measures average response time from receipt of request to confirmation of request receipt	4 business hours	92% or higher	Number of requisitions which received confirmation within 4 hours / total number or requisitions	Monthly
Release of Request to Subcontractor base	Measures the time between verification of the request and release of the request to the network	15 minutes	95%	Number of requests released in 15 minutes / number of requests received	
Resume Submittal Response Time	Measures average response time from receipt of request to delivery of candidate resumes	3 business days*	90% or higher	Number of requisitions which received first batch of resumes for review within 72 hours / total number of requisitions	Monthly
Receipt of subsequent batches of resumes	Measures the time to receive subsequent resumes when the initial batch did not result in a match	24 hours	95%	Time between notice that no resume matched the hiring manager need and receipt of the next batch of resumes(from initial posting)	
Normal Request Fill Rate	Measures Supplier's ability to satisfactorily fulfill requisitions: indicates how many requisitions are open.	100%	92% or higher	Total number of filled positions at month end / total number of requisitions which have been in place over 2 weeks	Monthly
Normal Round 1 Fill Rate	Measures Supplier's ability to satisfactorily fulfill within first round of resumes submitted to requestor (normal requisitions)	N/A	90% or higher	Total number of filled positions resulting from the first round of resume / total number of requisitions filled	Monthly
Urgent Request Response Time	Measures average response time from receipt of URGENT request to delivery of candidate resumes	24 hours	90% or higher	Number of URGENT requisitions which received first batch of resumes for review within 24 hours / total number of URGENT requisitions.	Monthly
Urgent Request Fill Rate	Measures Supplier's ability to fulfill requisitions: indicates how many requisitions are open.	N/A	92% or higher	Total number of URGENT filled positions at month end/ total number of requisitions which have been in place over 2 weeks.	Monthly
Urgent Round 1 Fill Rate	Measure Supplier's ability to fulfill requisitions within first round of resumes submitted to requestor (urgent)	N/A	90% or higher	Total number of URGENT filled positions resulting from the first round of requisitions filled	Monthly
Resource Dismissal	Measures number resources dismissed due to inadequate resource performance	N/A	5% or lower	Number of turnovers (due to inadequate performance) / total number of resources	Monthly
Accurate Billing	Monthly invoice is complete and correct, submitted on time (based on summary report)		99.99%	Number of invoices refused for payment due to inaccurate data/total number of invoices	Semi-annually

Timely Reports	TBD		99.99%		Monthly
Customer Service Survey Results**	Online survey form provided with last invoice per order	100%	100%	Online survey form provided with last invoice per order	Quarterly
System Availability	Solution available to hiring managers, Supplier and subcontractors		99.00%	Measured during normal business hours as determined by the users location.	Monthly

Fill rate is defined as Supplier offering a resource that was acceptable to the hiring manager, was ordered by the hiring manager and actually reported to for work.

* Unless otherwise agreed by the hiring manager in work request.

** At the conclusion of each work assignment, Supplier will provide the hiring manager with an online customer satisfaction survey with their final invoice. Supplier will work with VITA to encourage participation in this program.

A complete discussion of these SLAs is located in **Appendix A: Expanded Answers to RFP, section J.**

SUPPLIER MANAGED STAFF AUGMENTATION *CONTRACT AMENDMENT*

Contract No. VA-05-1123-CAI
Amendment No. 00003

Master Contract No. VA-05-1123-CAI by and between the VITA and Computer Aid Inc is amended as follows:

EXHIBIT G Supplier Managed Staff Augmentation Guidelines between CAI and VITA is amended to reflect changes in the Subcontractor Base and Performance Assessment as shown in the attachment.

This amendment has no financial impact. The changes will be incorporated into the process and will be displayed on the SMSA and CAI websites.

The effective date of this Amendment is March 1, 2006 or upon execution whichever is later.

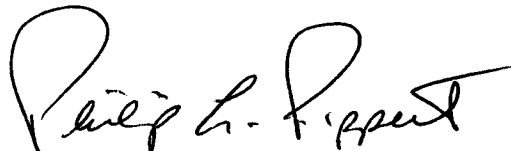
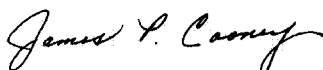
ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL MASTER CONTRACT REMAIN IN FULL FORCE AND EFFECT.

THIS AMENDMENT, consisting of 1 page(s) and 1 attachment(s), is executed by the persons signing below who warrant that they have the authority to execute this Amendment under the original Master Contract.

IN WITNESS WHEREOF, the AGENCY and the CONTRACTOR have signed this Amendment.

Computer Aid Inc.

VITA SCM



Signature

Signature

GM Government Division

02/17/2006

Title

Date

ASSOCIATED DIRECTOR, SCM

3/2/06

Title

Date

**SUPPLIER MANAGED STAFF AUGMENTATION GUIDELINES
BETWEEN
COMPUTER AID, INC
AND
VITA**

The following guidelines shall be effective upon the effective date of the SMSA contract and may be changed by VITA from time to time as which time this document must be updated and communicated to CAI.

1. PERIODIC MEETINGS

Impromptu implementation meetings will occur as frequently and often as necessary to complete each task in the SOWs and project plan. The participants and timing will be driven by the task assignments.

Weekly Implementation Status meetings will occur on a pre-defined scheduled basis. During implementation, the participants will be the VITA Rollout Manager, VITA Transition Manager, CAI Transition Manager, and CAI Account Manager. The agenda will be centered on progress against the SOW and project plan and resolving any unexpected issues. CAI will document and publish minutes.

Weekly Project Status meetings will begin after successful implementation and will occur on a pre-defined scheduled basis. The participants will be the VITA Contract Manager and CAI Account Manager. The agenda will include: 1) New Requisitions, 2) Transitioned Business, 3) Filled Requisitions, 4) Subcontractor/Resource Performance, 5) Issues and Resolution (Subcontractor, Hiring Manager, System, Process).

Quarterly meetings will be held within two (2) weeks of the end of the previous quarter. The participants will be the VITA Deputy CIO, VITA Supplier Manager, CAI Account Manager, CAI Staffing Managers, and CAI Executive Leadership. The agenda will include: 1) COVA Contract Utilization to include total number of Engagements, total spend (across the enterprise and broken down by agency), breakdown of job categories, and SWAM participation; 2) CAI's Service Level Performance and Customer Satisfaction Survey (completed bi-annually); 3) Subcontractor performance; 4) Issues and Resolution; 5) Process Changes; 6) Trends across agencies, Subcontractors and the market; 7) Networking (Tech Council, MSDC, Job Fairs, Schools).

2. CHANGE MANAGEMENT

A. Change Control Procedures

Within 120 (one hundred twenty) days of the Effective Date and as part of the SMSA Services, CAI will deliver to VITA, for VITA's approval, a written description of the change control procedures substantially in the form set forth in Attachment I (the "Change Control Procedures"). All changes to the Systems that would materially alter the functionality or technical environment of the Systems and all material changes to the Projects (each, a "Change"; collectively, "Changes"); will be made pursuant to the Change Control Procedures. No Change will be implemented without VITA's approval except as may be necessary on a temporary basis to maintain the continuity of the Services. CAI will schedule all projects and Changes so as not to unreasonably interrupt VITA business operations, prepare and deliver to VITA a monthly rolling schedule for ongoing and planned Changes for the next 60 (sixty)-day period, monitor the status of Changes

against the applicable schedule and, document and provide to VITA notification (which may be given orally provided that such oral notice is confirmed in writing to VITA within 10 (ten) days) of all Changes performed on a temporary basis to maintain the continuity of the Services no later than the next business day after the Change was made. The Change Control Procedures will be included in the Management Procedures Manual.

3. SUBCONTRACTOR BASE

A. Size of Subcontractor Base

CAI will manage an "open" network of subcontractors, meaning any subcontractor that meets CAI's audit criteria and agrees to the terms and conditions of the SMSA subcontractor agreement can compete for business on requisitions sent to them via the SMSA web tool. The initial CAI-managed subcontractor base will consist of one tier. After 6 months CAI will create two tiers. Tier 1 will comprise no more than 35 subcontractors whose track record and performance in SMSA and company profile suggests a high probability of continued quality, responsiveness and success under the SMSA business model. The second tier will remain open for all other businesses. Vendor performance will be analyzed on a quarterly basis and tiering changes could be made at that time.

B. Profile of Subcontractors

Subcontractors will be evaluated on their ability to deliver candidates/contractors within VITA's job categories and in each economic zone to ensure ample coverage across the Commonwealth. Additionally, subcontractors will be evaluated on past performance and compliance with contractual terms and conditions. Business size and financial net worth will not be considered in subcontractor qualification decisions.

C. Contract terms – See Exhibit F

D. Authority to Represent Any Resource

Subcontractor must have written (email is acceptable) authorization from a candidate to represent him or her for a specific requisition. Any unauthorized submittal will be rejected.

E. Registration Process

1. Initial

CAI shall work with VITA's incumbent subcontractors, and Commonwealth agencies to transition seated resources to CAI management or to replace such resources with resources from CAI's Subcontractor network.

- a). If an incumbent subcontractor elects to be an active participant in CAI's Subcontractor network, and the incumbent agrees to the terms and conditions and rates as set forth in CAI's IT Services Contract (example in Exhibit F), incumbent's resource(s) will be transitioned upon termination of their existing contract.
- b). If an incumbent subcontractor elects not to participate in any capacity, any Commonwealth agency utilizing a resource of such subcontractor may hire a staff augmentation resource for a knowledge transfer before the incumbent subcontractor's contract is terminated. Such Commonwealth agency may be required to replace the existing resource with a new candidate through CAI's Subcontractor network.

2. On-going

A Subcontractor may request to join CAI's Subcontractor network by placing a telephone call or sending an email to CAI's Account Manager. The Account Manager will provide the Subcontractor a general overview of the Contract and, at the Subcontractor's request, will send an "SMSA Vendor Packet" to such Subcontractor via email. The packet contains all required documentation for the Subcontractor to

register with CAI. Depending on availability and technical expertise, the Account Manager may invite the Subcontractor for a face-to-face meeting at which the Subcontractor shall present a detailed presentation of its services and capabilities. Once the Subcontractor and CAI have completed all required documentation, the Subcontractor will be activated as an SMSA subcontractor.

F. CAI's Resources

CAI may not contend for any work requests or provide any resources to perform IT Staff Augmentation services hereunder, whether directly or indirectly. CAI is also prohibited from including any Subcontractor in the SMSA system/network with whom CAI has any controlling interest.

G. Named Resources

Authorized Users may name a Subcontractor, Resource or combination of Subcontractor and Resource on a Requisition. These are considered Named Resource Requisitions which are SLA exempt and must be approved by VITA SCM.

4. REPORTING

A. Reports

1. Ad Hoc

At any time, the VITA Supplier Manager may make a direct request to the CAI Account Manager for an Ad Hoc report. CAI will use its best efforts to create the report in less than 24 hours. Once the report is created, CAI Account Manager will provide training to the VITA Supplier Manager on how to run and customize reports. The VITA Contract Manager may run the requested report at any time or request CAI to run the requested report.

2. Standard

Commonwealth managers will follow the same process described in the "Ad Hoc" reports paragraph when requesting reports. Two examples of reports that may be commonly requested across all agencies are:

Monthly - Invoice Detail report - shows by engaged candidate, the number of hours and corresponding billing amount for a specified invoice period (this can be run by agency or for all agencies).

Monthly - Purchase Order (PO) Limit Audit - shows by PO the amount expended and the amount remaining by line item through a given time period (this can be run by agency, by all agencies, or for a specific PO).

5. RECRUITING SUBCONTRACTOR AND RESOURCES

CAI will provide to VITA a Subcontractor spreadsheet on a monthly basis that will indicate 1) Active Subcontractors, 2) Pending Subcontractors, 3) Inactive Subcontractors.

CAI will provide to VITA a summary of its activities to seek out new potential Subcontractors (e.g., Tech Council, VA MSDC, User Groups, etc.) as a part of its Quarterly Report.

6. PERFORMANCE ASSESSMENT

CAI shall measure Subcontractors against SLAs and the following key performance indicators:

of submittals

% of unique candidates

Average composite score

% submitted within 3 days
% forwarded to hiring manager
% placed
Retention

7. BACK GROUND CHECKS

VITA to provide within 30 days of contract effective date

8. ON BOARDING PROCESS

VITA to provide within 30 days of contract effective date

9. RESUME FULFILLMENT

A. Batch Size

The initial batch will consist of five (5) resumes. CAI and VITA may agree to adjust the batch size at any time during the Contract term.

B. Sorting Resumes

Resumes will be sorted first on Quality (composite scores) and secondly on Rate, with the exception of candidates whose rates exceed the rate card. Such candidates will not be included in the first batch of resumes unless there are no other qualified candidates.

C. Same Resume From Different Subcontractors

If more than one subcontractor submits the resume of the same candidate in response to a work request, and each subcontractor has secured the candidate's authorization to represent him or her, CAI will select the subcontractor who offers the lowest rate. If each subcontractor offers the same rate, CAI will select the subcontractor with the first submission of the candidate.

10. RATE CARD MANAGEMENT

Rate cards will be evaluated on a quarterly basis; however CAI will raise any reoccurring rate challenges on a case-by-case basis to VITA for immediate consideration at the Weekly Status Meeting.

11. JOB TITLES AND DESCRIPTIONS

The initial job titles, job descriptions and rates are attached to the Contract, see Exhibit E

CAI will use the ERI enhanced Dictionary of Occupational Titles (eDOT)[®] to develop initial job titles and descriptions. At any time, and in response to market conditions and Commonwealth requirements, CAI may recommend to the VITA Supplier Manager additions, deletions, or changes to job titles and descriptions.

SUPPLIER MANAGED STAFF AUGMENTATION *CONTRACT AMENDMENT*

Contract No. VA-05-1123-CAI
Amendment No. 00002

Master Contract No. VA-05-1123-CAI by and between the VITA and Computer Aid Inc is amended as follows:

EXHIBIT D JOB RATE CARDS and SMSA RFP APPENDIX B JOB TITLES AND DESCRIPTION are amended to add the Computer Operator, SOC 439001 job descriptions with associated rate entries as shown in the Attachments.

This amendment has no financial impact. The new job descriptions will be incorporated into the Peopleclick VMS tool for use by VITA.

The effective date of this Amendment is February 20, 2006 or upon execution whichever is later.

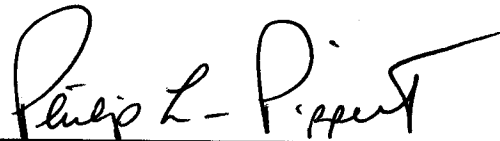
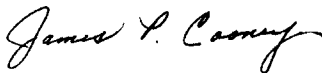
ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL MASTER CONTRACT REMAIN IN FULL FORCE AND EFFECT.

THIS AMENDMENT, consisting of 1 page(s) and 2 attachment(s), is executed by the persons signing below who warrant that they have the authority to execute this Amendment under the original Master Contract.

IN WITNESS WHEREOF, the AGENCY and the CONTRACTOR have signed this Amendment.

Computer Aid Inc.

VITA SCM



Signature

Signature

GM Government Division

02/13/2006

Title

Date

ASSOCIATE DIRECTOR, SCM 3/2/06

Title

Date



Computer Aid, Inc.

Contract IT

The Right Staff, the Right Skills, Right Now.



1. COMPUTER OPERATOR SOC: 439011

Computer Operator Level 1	
Years of Experience:	3 to 7 years
Job Description:	<ul style="list-style-type: none">• Serves as technician for computer operations and production control technical duties in VEC's Central Office computer room.• Determines accuracy and acceptability of input.• Analyzes priorities and schedules, executes, prints, distributes jobs.• Troubleshoots and resolves problems.• Executes jobs.• Performs duties related to Operations' peripheral devices.• Review, analyze and correct Job Control language (JCL), and support IVRS system.• Documents job starting and ending times, all absences and all problems occurring during the shift.
Computer Operator Level 2	
Years of Experience:	7 to 11 years
Job Description:	<p>All roles specified in Computer Operator 1 plus the following:</p> <ul style="list-style-type: none">• Assigns work.• Provides on-the-job training.• Completes shift turnover reports for management.• May act as backup in the absence of supervisor.
Computer Operator Level 3	
Years of Experience:	11 or more years
Job Description:	<p>All roles specified in Computer Operator 2 plus the following:</p> <ul style="list-style-type: none">• Serves as a working supervisor for a shift of computer operations personnel.• Responsible for both Central Office computer rooms.• Plans and coordinates operations throughout with agency users, Systems Development, Technical Support and



Computer Aid, Inc.

Contract IT

The Right Staff, the Right Skills, Right Now.



Department of Information Technology personnel.

- Ensures timely and accurate scheduling, processing and distribution of production work.
- Provides technical advice and recommendations.

Zone 98		
Job Title		Bill Rate
Computer Operator Level 1		\$ 23.58
Computer Operator Level 2		\$ 26.87
Computer Operator Level 3		\$ 29.59

SUPPLIER MANAGED STAFF AUGMENTATION CONTRACT AMENDMENT

Contract No. _____

Amendment No. _____ 00001

Master Contract No. _____ by and between the VITA and Computer Aid Inc is amended as follows:

EXHIBIT D JOB RATE CARDS and SMSA RFP APPENDIX B JOB TITLES AND DESCRIPTION are amended to remove the following job descriptions and rate entries and use the To Be Used Job Descriptions:

Removed Job Description

EDMS Services
Electronic Commerce Services (EDI)
Enterprise Planning & Research Consulting Services
Industry Specialist
Middleware Integration Consulting Services
Telecommunications Engineering Services

To Be Used Job Description

Product Specialist Level 2
Product Specialist Level 2
Product Specialist Level 3
Consultant Level 2
Technical Architecture Specialist Level 3
Product Specialist Level 2

This amendment has no financial impact. The removed job description rates are the same as the To Be Used Job Description rates.

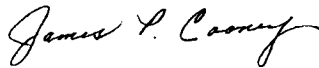
The effective date of this Amendment is December 14, 2005 or upon execution whichever is later.

ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL MASTER CONTRACT REMAIN IN FULL FORCE AND EFFECT.

THIS AMENDMENT, consisting of 1 page(s) and 1 attachment(s), is executed by the persons signing below who warrant that they have the authority to execute this Amendment under the original Master Contract.

IN WITNESS WHEREOF, the AGENCY and the CONTRACTOR have signed this Amendment.

Computer Aid Inc.



Signature

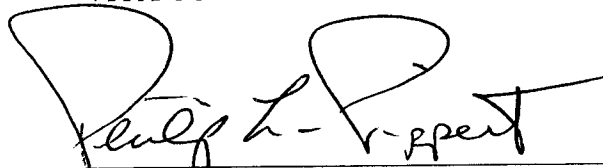
GM Government Division

Title

12/8/05

Date

VITA SCM



Signature

Assoc. Director, SCM

Title

12/19/05

Date

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MASTER SERVICES CONTRACT

THIS SERVICES CONTRACT ("Contract") is entered into by and between the Virginia Information Technologies Agency (hereinafter referred to as "VITA"), pursuant to §2.2-2012 of the Code of Virginia, and Computer Aid, Inc. ("CAI") to be effective as of November xx, 2005 ("Effective Date"). VITA and CAI are referred to herein individually as "Party" and collectively as the "Parties."

1. PURPOSE AND SCOPE

This Contract sets forth the terms and conditions under which CAI shall provide CAI Managed Staff Augmentation ("SMSA") Services to the Authorized Users.

2. DEFINITIONS

A. Acceptance

Acceptance shall take the form of completed Acceptance testing in conformance with the requirements as set forth by the ordering Authorized User in the applicable requisition in CAI's system or Statement of Work.

B. Agent

Any third party independent agent of any Authorized User.

C. Authorized User

All public bodies, including VITA, as defined by §2.2-4301 and referenced by §2.2-4304 of the Code of Virginia.

D. Confidential Information

Any confidential or proprietary information of a Party that is disclosed in any manner, including oral or written, graphic, machine readable or other tangible form, to the other Party in connection with or as a result of discussions related to this Contract, and which at the time of disclosure either (i) is marked as being "Confidential" or "Proprietary", (ii) is otherwise reasonably identifiable as the confidential or proprietary information of the Disclosing Party, or (iii) under the circumstances of disclosure should reasonably be considered as confidential or proprietary information of the disclosing Party.

E. Deliverable

Means the tangible embodiment of the Subcontractor Services performed or provided by a Subcontractor.

F. SMSA Deliverable

Means the tangible embodiment of the SMSA Services performed or provided by CAI.

G. SMSA Solution Requirements

The functional, performance, operational, compatibility, Acceptance testing criteria and other parameters and characteristics of the SMSA Service described in the applicable documentation, CAI's Proposal and such other parameters, characteristics, or performance standards for the product that may be agreed upon in writing by the Parties.

H. SMSA Service

Any work performed or service provided by CAI under this Contract for VITA.

I. Statement of Work (SOW)

A Statement of Work means any incorporated, attached or subsequent document to an order which, upon acceptance by a CAI or Subcontractor in response thereto, shall be deemed a part of this Contract, and which describes the Deliverables, due dates, assignment duration and payment obligations for a specific project, engagement, or assignment for which Subcontractor shall be providing Subcontractor Services.

J. Subcontractor

Any entity with which CAI has entered a subcontractor contract, Exhibit F, to provide the resources to perform the various Subcontractor Services required during the term of the Contract.

K. Subcontractor Service

Any work performed or service provided, including any Deliverable described in the applicable order or SOW attached thereto, by a Subcontractor for an Authorized User.

L. CAI

The prime contractor responsible for managing a base of Subcontractors who provide the resources to perform the various SMSA Services required during the term of the Contract.

M. CAI's Proposal

Proposal submitted by CAI and accepted by VITA, attached hereto as part of Exhibit A that describes the SMSA Services to be performed by CAI.

N. VITA

Virginia Information Technologies Agency, an agency of the Commonwealth of Virginia pursuant to Chapter 20.1 (§§2.2-2005 et seq.) of the Code of Virginia

O. Work Product

The discovery, creation or development of inventions, combinations, machines, methods, formula, techniques, processes, improvements, software designs, computer programs, strategies, specific computer-related know-how, data and original works of authorship (collectively, the "Work Product").

3. TERM AND TERMINATION

1. Term

This Contract is effective and legally binding as of the Effective Date and, unless terminated as provided for in this section, shall continue to be effective and legally binding for a period of two (2) years. Subject to the mutual written agreement of both Parties, this Contract may be extended for up to three (3) additional one-year periods after the expiration of the initial two (2) year-period. VITA will issue a written notification to CAI stating the extension period, 30 days prior to the expiration of any current term.

2. Termination

VITA may terminate this Contract, in whole or in part, upon not less than thirty (30) days prior written notice at any time for any reason. CAI shall submit any contractual dispute to VITA for resolution according to the terms of the Dispute Resolution Section. Upon termination, VITA shall have no future liability except for SMSA Services rendered by CAI prior to the termination date.

3. Transition Plan Upon Expiration or Termination

At VITA's request, CAI shall provide a transition plan to VITA at least one hundred and twenty (120) days prior to the termination effective date hereof. The transition plan will provide for the orderly transition and migration to VITA or VITA's designated third party, of all services then being performed or provided by CAI hereunder. CAI will continue to provide Services to VITA until the transition is complete. Each party will cooperate fully and in good faith with the other and/or its designees, so that the transition of Services rendered under this Agreement shall be timely and efficient and implemented in a manner so as not to interfere with VITA's orderly conduct of its business or CAI's other operations. VITA and its employees will cooperate in good faith with CAI in connection with CAI's obligations under this section. Exhibit G sets forth the details to be included in the transition plan.

4. SMSA SERVICES

A. Nature of Services and Engagement

CAI is an independent contractor engaged to provide SMSA Service, including but not limited to management of the SMSA system and management of the Subcontractor base. Both Parties acknowledge that this Contract is non-exclusive, in that any Authorized User may utilize the services of others, and CAI may provide services to others so long as those services do not breach the terms of this Contract.

B. Statement of Work (SOW)

All Subcontractor Services provided by a subcontractor shall be performed at the rates set forth in an order executed by Authorized User. Subcontractor personnel shall maintain daily time records of hours and tasks performed which shall be submitted or made available for inspection by the ordering Authorized User upon forty eight (48) hours advance written notice. Any total dollar amounts or not-to-exceed limitations appearing in the applicable order or SOW attached thereto shall be considered reasonably accurate estimates.

C. Acceptance Criteria

SMSA Service(s) shall be accepted when the Deliverable meets the SMSA Solution Requirements as tested pursuant to the Acceptance Criteria in Exhibit H. VITA agrees to commence Acceptance testing within a reasonable time period after receipt of the SMSA Service or within such other time period mutually agreed upon by the Parties. CAI agrees to provide to VITA such assistance and advice as VITA may reasonably require, at no additional cost, during such Acceptance testing, other than pre-approved travel expenses incurred which will be reimbursable by VITA at the then-current per diem amounts as published by the Virginia Department of Accounts.

D. Cure Period

CAI shall correct the non-conformities identified hereunder and shall thereafter re-submit such previously non-conforming SMSA Service for re-testing within seven (7) business days of VITA's notice of non-conformance, or as otherwise agreed between VITA and CAI. In the event that CAI fails to re-submit a SMSA Service which meets the SMSA Solution Requirements, VITA may, in its sole discretion: (i) reject the SMSA Service in its entirety and recover amounts previously paid hereunder; (ii) issue a "partial Acceptance" of the SMSA Service with an equitable adjustment in the price to account for such deficiency; or (iii) conditionally accept the applicable SMSA Service while reserving its right to revoke Acceptance if timely correction is not forthcoming. Notwithstanding the foregoing, VITA shall be entitled to pursue any other remedies that are available to it under this Contract.

E. Training and Documentation

Any training or documentation necessary for VITA to have full benefit of the SMSA Service shall be deemed included in the scope of this Contract unless expressly excluded.

5. RIGHTS TO WORK PRODUCT

A. Work Product

VITA and CAI each acknowledge that performance of this Contract may result in Work Product. The Parties agree to document all Work Product specifications and make such specifications an incorporated Exhibit to the applicable order or SOW attached thereto. CAI agrees that it shall require all Subcontractors, pursuant to Exhibit F, to promptly and fully disclose to the ordering Authorized User any and all Work Product generated, conceived, reduced to practice or learned by Subcontractor or any of its employees, either solely or jointly with others, during the term of this Contract, which in any way relates to the business of such Authorized User.

B. Ownership

CAI agrees that, whether or not the services are considered "works made for hire" or an employment to invent, all Work Product discovered, created or developed under this Contract shall be and shall remain the sole and exclusive property of VITA and its assigns. Except as specifically set forth in writing and signed by both VITA and CAI, CAI agrees that VITA shall have all rights with respect to any new Work Product discovered, created or developed under this Contract without regard to the origin of the Work Product. If and to the extent that any preexisting rights of CAI are embodied in the Work Product, CAI hereby grants to VITA the irrevocable, perpetual, non-exclusive, world-wide, royalty-free right and license to (1) use, execute, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such pre-existing rights and any derivative works thereof, and (2) authorize others to do any or all of the foregoing.

If and to the extent that CAI or Subcontractor may, under applicable law and/or contract, be entitled to claim any ownership interest in the Work Product, CAI hereby transfers, grants, conveys, assigns and relinquishes exclusively to VITA any and all right, title and interest it now has or may hereafter acquire in and to the Work Product under patent, copyright, trade secret and trademark law in perpetuity or for the longest period otherwise permitted by law. If any moral rights are created, CAI waives such rights in the Work Product.

CAI further agrees, and will require all Subcontractors to agree that neither CAI, Subcontractor, Subcontractor's employees, nor any party claiming through CAI, Subcontractor, or Subcontractor's employees, shall, other than in the performance of this Contract, make use of or disclose to others any proprietary information relating to the Work Product.

All Subcontractor Services performed hereunder shall include delivery of all source and object code and all executables and documentation. CAI agrees that it shall require all Subcontractors, pursuant to Exhibit F, to provide the ordering Authorized User a copy of the most recent source code at all times.

CAI further agrees as to the Work Product to assist VITA in every reasonable way to obtain and, from time to time, enforce patents, copyrights, trade secrets and other rights and protection relating to Work Product, and to that end, CAI and its employees shall execute all documents for use in applying for and obtaining such patents, copyrights, trade secrets and other rights and protection with respect to such Work Product, as VITA may reasonably request, together with any assignments thereof to VITA or persons designated by it. CAI's and its employees' obligations to assist VITA in obtaining and enforcing such rights shall continue beyond the termination of this Contract.

6. CAI PERSONNEL

A. Selection and Management of CAI Personnel

CAI shall take such steps as may be necessary to ensure that all CAI personnel and Subcontractors provided under this Contract are competent and knowledgeable of the contractual arrangements between VITA and CAI. CAI shall be solely responsible for the conduct of its employees and Subcontractors and shall ensure that such employees and Subcontractors comply with the appropriate Authorized User's site security, information security and personnel conduct rules, as well as applicable federal, state and local laws. VITA reserves the right to require the immediate removal from such Authorized User's premises of any employee, Subcontractor or agent of CAI whom such Authorized User believes has failed to comply or whose conduct or behavior is unacceptable or unprofessional or results in a security or safety breach.

B. CAI Personnel Supervision

CAI and VITA acknowledge that CAI shall be and is the sole employer of CAI personnel, and shall have sole responsibility to supervise, counsel, discipline, review, evaluate, set the pay rates of and terminate the employment of CAI personnel.

7. REPRESENTATIONS AND WARRANTY OF CAI

With respect to the SMSA Services provided by CAI and the Subcontractor Services, CAI represents and warrants the following:

A. Ownership

CAI has the right to provide the services, including SMSA Deliverables, without violating or infringing any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third party.

B. Performance

- i). All SMSA Services and Subcontractor Services shall be performed with care, skill and diligence, consistent with or above applicable professional standards currently recognized in its profession, and CAI shall be responsible for the professional quality, technical accuracy, completeness and coordination of all plans, information, specifications, computer programs,

software, SMSA Deliverables, Subcontractor Services and SMSA Services furnished under this Contract;

- ii). If the SMSA Services are pursuant to a particular Request for Proposal, such SMSA Services and SMSA Deliverables shall be fit for the particular purposes specified by VITA and CAI is possessed of superior knowledge with respect to the SMSA Services and is aware that VITA is relying on CAI's skill and judgment in providing the Services;
- iii). The SMSA Services shall meet or exceed the SMSA Solution Requirements;
- iv). The SMSA Services and Subcontractor Services shall be performed in a professional manner;
- v). CAI warrants that the documentation which CAI is required to provide under this Contract shall be sufficient in detail and content to allow a user to understand fully the software or other SMSA Deliverables without reference to any other materials or information.

C. Performance Service Standards and Remedies

CAI will meet or exceed the Service levels detailed in Exhibit B, attached hereto. In the event CAI fails to meet the Service levels, CAI agrees to the following remedies:

- i). A discussion will take place between the CAI representatives and the VITA contract manager. The CAI will be given a warning, and a plan will be developed to improve on the problem areas within thirty (30) days.
- ii). If a second monthly review occurs with minimal or no improvement in the problem areas, CAI will be placed on Probation, and CAI will be given two (2) months to improve their overall service score.
- iii). If a third monthly review with below-threshold score occurs within the two (2) month probationary period, CAI will be required to give a three percent (3%) rebate on the month's revenue back to each Authorized User which has provided revenue to CAI.
- iv). If a fourth below-threshold score occurs within the next three (3) months, CAI will be required to provide a five percent (5%) rebate on the month's revenue back to each Authorized User which has provided revenue to CAI, and the Contract may be terminated by VITA.

D. Limited Warranty Period and Remedy

During the Warranty Period, CAI warrants that the SMSA Deliverables do not contain any material errors and shall conform to the SMSA Solution Requirements. CAI shall correct all errors at no additional cost to any Authorized User. If CAI is unable to make the SMSA Deliverable conform in accordance with the Acceptance Criteria, as set forth in the Statement of Work, and Cure Period Paragraph herein, in all material aspects, within seven (7) business days following notification by VITA, CAI shall, at VITA's request, accept return of any SMSA Deliverables, and return all monies paid by any Authorized User for the non-conforming SMSA Deliverable and any other related SMSA Deliverable rendered unusable. If any Subcontractor Services fail to meet the requirements as documented, all such service will be re-performed at no additional expense to any Authorized User.

THE OBLIGATIONS OF CAI UNDER THIS SECTION ARE MATERIAL. CAI MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY CONCERNING MERCHANTABILITY OR FITNESS FOR ANY OTHER PARTICULAR PURPOSE.

8. ORDERS AND COMPENSATION

A. Order

CAI is required to accept any valid order placed through the eVA electronic procurement website portal (<http://www.eva.state.va.us>). eVA is the Commonwealth of Virginia's total electronic procurement solution. State agencies, as defined in §2.2-2006 of the Code of Virginia, shall order through eVA.

All other Authorized Users are encouraged to order through eVA, but if an Authorized User does not use eVA, such Authorized User must order through the order process or processes implemented by CAI and approved by VITA. This ordering authority is limited to issuing orders for the Subcontractor Services available under this Contract. Under no circumstances shall any Authorized User have the authority to modify this Contract.

B. Purchase Price and Price Protection

Exhibit D sets forth the fees and the appropriate VITA discounts. CAI management fees shall not increase for a period of not less than two (2) years from the Effective Date. Thereafter, any increase in price shall be limited to once per twelve (12) month period and shall not exceed the lesser of 3% or the annual increase in the Consumer Price Index for All Urban Consumers, All US Cities Average, Seasonally Adjusted, All Items Less Food and Energy, as published by the Bureau of Labor Statistics of the Department of Labor (<http://www.bls.gov/cpi/home.htm>), for the effective date of the increase compared with the same index one (1) year prior. CAI shall demonstrate the added value for any requested price increase. Any such change in price shall be submitted to VITA in writing in accordance with the above and shall not become effective for sixty (60) days thereafter. Semi-annually the resource rates set forth in Exhibit D shall be checked against the ERI Index, or other applicable industry data, and the prices in Exhibit D shall be appropriately adjusted to ensure continued price competitiveness, if required. CAI agrees to offer Service price reductions to ensure compliance with the Competitive Pricing Section.

C. Invoice and Payment Terms

All payment obligations under this Contract are subject to the availability of legislative appropriations for this purpose. In the event of non-appropriation of funds for the items under this Contract, VITA may terminate this Contract, any order or Statement of Work, for those goods or services for which funds have not been appropriated. Written notice will be provided to CAI as soon as possible after legislative action is completed.

Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request, and can be obtained online at <http://www.tax.state.va.us/>. Deliveries against this Contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

If any purchases are to be supported by federal funding, and such funding is not made available, VITA may terminate this Contract or appropriate Statement of Work, or an Authorized User may terminate an order or SOW, for goods or services dependent on such federal funds without further obligation.

CAI is responsible for the accuracy of its billing information. CAI agrees not to issue invoices hereunder until services have been performed. Charges older than ninety (90) days may not be paid.

If there are any disputed items, the appropriate Authorized User shall pay all undisputed charges and promptly notify CAI in writing of any disputed amount. CAI shall thereupon review its records, and, if it does not concur with such Authorized User, provide such Authorized User with documentation to support the charge. CAI agrees not to bill VITA for Subcontractor Services until the hiring manager has approved the applicable time card(s). All payment terms are due 30 days from receipt of invoice.

D. Invoice Procedures

CAI shall remit each invoice to the bill to address provided with the order promptly after all services have been accepted. Travel expenses must be itemized as a separate line item on all invoices. No invoice shall include any costs other than those identified in Exhibit D or the executed order or Statement of Work. In the event that the Authorized User approves overtime work under this Contract, CAI will be compensated at overtime rates (time and one-half) for those positions identified in Exhibit D, attached hereto and incorporated herein, required to be paid overtime under the Fair Labor Standards Act.

Invoices issued by CAI shall identify at a minimum:

- i). This Contract number and the applicable order number
- ii). CAI's Federal Employer Identification Number (EIN).
- iii). Additional items as determined through negotiation by the Parties.

ALL CONTRACTUAL OBLIGATIONS UNDER THIS CONTRACT IN CONNECTION WITH AN ORDER PLACED BY ANY PUBLIC BODY (as that term is defined in §2.2-4301 of the Code of Virginia) OF ANY COUNTY, CITY OR TOWN LOCATED WITHIN THE COMMONWEALTH OF VIRGINIA ARE THE SOLE OBLIGATION OF THE COUNTY CITY OR TOWN PLACING THE ORDER AND NOT THE RESPONSIBILITY OF VITA.

E. Overtime Policy

No overtime premiums will be paid to CAI for work which is performed after normal business hours (8:00 a.m. local time – 5:00 local time) in order to complete a task on time, unless otherwise agreed to in writing in advance by Authorized User.

F. Acceptance

Defined in the applicable SOW or other documentation.

G. Reimbursement of Expenses

The appropriate Authorized User shall pay, or reimburse CAI, for all reasonable and actual travel-related expenses greater than thirty (30) miles from portal to portal incurred by CAI during the relevant period; provided, however, that such Authorized User shall only be liable to pay for CAI's travel-related expenses, including transportation, meals, lodging and incidental expenses, that have been authorized by such Authorized User in advance and which will be reimbursable by such Authorized User at the then-current per diem amounts as published by the Virginia Department of Accounts, <http://www.doa.state.va.us/procedures/AdminServices/capp/pdfdocs/20335REV0701042.pdf>. All reimbursed expenses will be billed to the Authorized User on a pass through basis without any markup by CAI.

H. CAI's Report of Sales and Industrial Funding Adjustment

CAI shall submit the "CAI Monthly Report of Sales" which is available online at: (to be furnished at later date). The report shall be submitted in electronic form via electronic mail to the VITA Contract Administrator and the VITA Controller (email addresses to be provided upon award), by the 10th day of every month, reporting all invoices paid by VITA for the preceding month. The report shall also show a cumulative record of all sales which shall carry forward for the duration of the Contract. The CAI Monthly Report of Sales template (in MS Excel format) indicated at the link above is required to be used by the CAI and provided to VITA.

"CAI Monthly Report of Sales" is a detailed record that is prepared from actual invoices submitted to and paid by the Authorized User pursuant to this Contract. Data submitted shall include Name of Project, CAI's tax identification number, invoice date, invoice number, order number, name of requesting entity, User name and telephone number, amount billed for services performed for previous month, and IT service category.

CAI shall submit Industrial Funding Adjustment payment at the same time as submitting the "CAI Monthly Report of Sales" in the form of a check or electronic funds disbursement made payable to the Controller of VITA, based on 2% of total sales under this Contract. CAI shall include this Contract number, "report amounts" and "report period" with all Industrial Funding Adjustment payments. CAI shall remit (i) Industrial Funding Adjustment payments made via check to: VITA, ATTN: Controller; 110 South 7th Street, 3rd Floor; Richmond, VA 23219-3931, and (ii) a copy of the means of payment to the VITA Contract Administrator. Failure to comply with reporting and payment requirements of this section shall result in default of Contract.

9. COMPETITIVE PRICING

CAI warrants and agrees that each of the charges, economic or product terms or warranties granted to VITA pursuant to this Contract are comparable to or better than the equivalent charge, economic or product term or warranty being offered to any commercial or government customer of CAI. If CAI enters into any arrangements with another customer of CAI or with an Authorized User to provide

services under more favorable prices, as the prices may be indicated on CAI's current US and International price lists or comparable documents, then this Contract shall be deemed amended as of the date of such other arrangements to incorporate those more favorable prices, and CAI shall immediately notify VITA of such change.

10. CONFIDENTIALITY

A. Treatment and Protection

Each Party agrees to (i) hold in strict confidence all Confidential Information of the other Party, (ii) use the Confidential Information solely to perform or to exercise its rights under this Contract, and (iii) not transfer, display, convey or otherwise disclose or make available all or any part of such Confidential Information to any third-party. However, an Authorized User may disclose the Confidential Information as delivered by CAI to Subcontractors, contractors or agents of such Authorized User that are bound by a non-disclosure contract with such Authorized User. Each Party shall take the same measures to protect against the disclosure or use of the Confidential Information as it takes to protect its own proprietary or confidential information (but in no event shall such measures be less than reasonable care).

B. Exclusions

The term "Confidential Information" shall not include information that is:

- i). in the public domain through no fault of the receiving Party or of any other person or entity that is similarly contractually or otherwise obligated;
- ii). obtained independently from a third-party without an obligation of confidentiality to the disclosing Party and without breach of this Contract;
- iii). independently developed by the receiving Party without reference to the Confidential Information of the other Party; or
- iv). required to be disclosed under The Virginia Freedom of Information Act (§§2.2-3700 et seq. of the Code of Virginia) or similar laws.

C. Court Order

The owner of Confidential Information ordered to be disclosed pursuant to a court order may seek a protective order and such disclosure will not reclassify the information.

D. Return or Destruction

Upon the termination or expiration of this Contract or upon the earlier request of the disclosing Party, the receiving Party shall (i) at its own expense, (a) promptly return to the disclosing Party all tangible Confidential Information (and all copies thereof except the record required by law) of the disclosing Party, or (b) upon written request from the disclosing Party, destroy such Confidential Information and provide the disclosing Party with written certification of such destruction, and (ii) cease all further use of the other Party's Confidential Information, whether in tangible or intangible form.

11. LIABILITY AND INDEMNIFICATION

CAI agrees to indemnify, defend and hold harmless any Authorized User, its officers, directors, agents and employees ("Indemnified Parties") from and against any and all third party claims, or direct damages suffered by Authorized Users, demands, proceedings, suits and actions, including any related liabilities, obligations, losses, damages, fines, judgments, settlements, expenses (including attorneys' and accountants' fees and disbursements) and costs (each, a "Claim" and collectively, "Claims"), incurred by, borne by or asserted against any of Authorized User's Indemnified Parties to the extent such Claims in any way relate to, arise out of or result from: (i) any act of any CAI employee or Subcontractor of CAI, or (ii) breach of any representation, warranty or covenant of CAI contained herein, (iii) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Deliverables or services. Selection and approval of counsel and approval of any settlement shall be accomplished in accordance with all applicable laws, rules and regulations. For state agencies the applicable laws include §§ 2.2-510 and 2.2-514 of the Code

of Virginia. In all cases the selection and approval of counsel and approval of any settlement shall be satisfactory to the Authorized User against whom the claim has been asserted.

In the event of a Claim pursuant to any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Deliverable or services, and in addition to all other obligations of CAI in this Section, CAI shall at its expense, either (a) procure for all Authorized Users the right to continue use of such infringing Deliverable or services, or any component thereof; or (b) replace or modify such infringing Deliverable or services, or any component thereof, with non-infringing products or services satisfactory to the Authorized User.. And in addition, CAI shall provide any Authorized User with a comparable temporary replacement Deliverable or reimburse any Authorized User for the reasonable costs incurred by such Authorized User in obtaining an alternative product in the event such Authorized User cannot use the affected product. If CAI cannot accomplish any of the foregoing within a reasonable time and at commercially reasonable rates, then CAI shall accept the return of the infringing component of the Software or services, along with any other components of any products rendered unusable by any Authorized User as a result of the infringing component, and refund the price paid to CAI for such components.

At the express request of the Commonwealth of Virginia Attorney General, CAI shall defend any such Claim with counsel reasonably satisfactory to VITA and shall pay any interim or final judgment or award entered against VITA, or settlement amount agreed to by CAI, within sixty (60) days of such judgment award being entered and shall, in addition, pay any and all other reasonable expenses incurred by VITA in connection with any such claim. CAI may settle any Claim without VITA's written consent unless such settlement (A) contains an admission of liability or wrongdoing by VITA; (B) does not include a release of all covered claims pending against VITA; or (C) imposes any obligations upon VITA other than an obligation to stop using any infringing items.

EXCEPT WITH REGARD TO CLAIMS FOR PROPERTY DAMAGE, PERSONAL INJURY, DEATH OR INFRINGEMENT, AND THE INDEMNIFICATION AND CONFIDENTIALITY OBLIGATIONS, WITH RESPECT TO EACH OF WHICH LIABILITY SHALL NOT BE LIMITED PURSUANT TO THIS SECTION, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY (OR THE INDEMNIFIED PARTIES OF SUCH PARTY) FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING (WITHOUT LIMITATION) LOSS OF PROFIT, INCOME OR SAVINGS, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, EXCEPT WHEN SUCH DAMAGES ARE CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE PARTY, ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS.

12. SECURITY COMPLIANCE

CAI agrees to comply with all provisions of VITA's then current security procedures as are pertinent to CAI's operation and have been supplied to CAI by VITA and further agrees to comply with all applicable federal, state and local laws. CAI shall indemnify, defend, and hold VITA, its officers, directors, employees and agents harmless from and against any and all fines, penalties (whether criminal or civil), judgments, damages and assessments, including reasonable expenses suffered by, accrued against, or charged to or recoverable from VITA, its officers, directors, agents or employees, on account of the failure of CAI to perform its obligations pursuant this Section.

13. BANKRUPTCY

If CAI becomes insolvent, takes any step leading to its cessation as a going concern, fails to pay its debts as they become due, or ceases business operations continuously for longer than fifteen (15) business days, then VITA may immediately terminate this Contract on notice to CAI unless CAI immediately gives VITA adequate assurance of the future performance of this Contract. If bankruptcy proceedings are commenced with respect to CAI, and if this Contract has not otherwise terminated, then VITA may suspend all further performance of this Contract until CAI assumes this Contract and provides adequate assurance of performance thereof or rejects this Contract pursuant to Section 365 of the Bankruptcy Code or any similar or successor provision, it being agreed by the Parties that this is an executory contract. Any such suspension of further performance by VITA pending CAI's

assumption or rejection shall not be a breach of this Contract, and shall not affect VITA's right to pursue or enforce any of its rights under this Contract or otherwise.

14. GENERAL PROVISIONS

A. Relationship Between VITA and CAI

CAI has no authority to contract for VITA or in any way to bind, to commit VITA to any agreement of any kind, or to assume any liabilities of any nature in the name of or on behalf of VITA. Under no circumstances shall CAI, or any of its employees, hold itself out as or be considered an agent or an employee of VITA, and VITA shall have no duty to provide or maintain any insurance or other employee benefits on behalf of CAI or its employees. CAI represents and warrants that it is an independent contractor for purposes of federal, state and local employment taxes and agrees that VITA is not responsible to collect or withhold any federal, state or local employment taxes, including, but not limited to, income tax withholding and social security contributions, for CAI. Any and all taxes, interest or penalties, including, but not limited to, any federal, state or local withholding or employment taxes, imposed, assessed or levied as a result of this Contract shall be paid or withheld by CAI or, if assessed against and paid by VITA, shall be reimbursed by CAI upon demand by VITA.

B. Incorporated Contractual Provisions

The contractual provisions at the following URL are statutorily mandated provisions that are hereby incorporated by reference, including the contractual claims provision §2.2-4363 of the Code of Virginia: http://www.vita.virginia.gov/procurement/documents/terms_04-05sw.pdf.

C. Governing Law

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without regard to that body of law controlling choice of law. Any and all litigation shall be brought in the circuit courts of the Commonwealth of Virginia. The English language version of this Contract prevails when interpreting this Contract. The United Nations Convention on Contracts for the International Sale of Goods and all other laws and international treaties or conventions relating to the sale of goods are expressly disclaimed. UCITA shall apply to this Contract only to the extent required by §59.1-501.15 of the Code of Virginia.

D. Dispute Resolution

In accordance with §2.2-4363 of the Code of Virginia, Contractual claims, whether for money or other relief, shall be submitted in writing to the public body from whom the relief is sought no later than sixty (60) days after final payment; however, written notice of CAI's intention to file such claim must be given to VITA at the time of the occurrence or beginning of the work upon which the claim is based. Pendency of claims shall not delay payment of amounts agreed due in the final payment. VITA shall render a final decision in writing within thirty (30) days after its receipt of CAI's written claim.

CAI may not invoke any available administrative procedure under §2.2-4365 of the Code of Virginia nor institute legal action prior to receipt of the purchasing agency's decision on the claim, unless that agency fails to render its decision within thirty (30) days. The decision of the purchasing agency shall be final and conclusive unless the CAI, within six (6) months of the date of the final decision on the claim, invokes appropriate action under §2.2-4364, Code of Virginia or the administrative procedure authorized by §2.2-4365, Code of Virginia.

Upon request from the public body from whom the relief is sought, CAI agrees to submit any and all contractual disputes arising from this Contract to VITA's alternative dispute resolution (ADR) procedures. CAI may invoke VITA's ADR procedures at any time and concurrently with any other statutory remedies prescribed by the Code of Virginia.

In the event of any breach by VITA, CAI's remedies shall be limited to claims for damages and Prompt Payment Act interest and, if available and warranted, equitable relief, all such claims to be processed pursuant to this Section. In no event shall CAI's remedies include the right to terminate any license or support services hereunder.

E. Advertising and Use of Proprietary Marks

CAI shall not use any Authorized User's name or refer to any Authorized User, directly or indirectly, in any press release or formal advertisement without receiving prior written consent of such Authorized User. In no event may CAI use a proprietary mark without receiving the prior written consent of the Authorized User.

F. Notices

Any notice required or permitted to be given under this Contract shall be in writing and shall be deemed to have been sufficiently given if delivered in person, or if deposited in the US mails, postage prepaid, for mailing by registered, certified mail, or overnight courier service addressed to the addresses shown on the signature page. Either Party may change its address for notice purposes by giving the other Party notice of such change in accordance with this Section.

G. No Waiver

Any failure to enforce any terms of this Contract shall not constitute a waiver.

H. Assignment

This Contract shall be binding upon and shall inure to the benefit of the permitted successors and assigns of each party hereto. CAI may not assign, subcontract, delegate or otherwise convey this Contract, or any of its rights and obligations hereunder, to any entity without the prior written consent of VITA, and any such attempted assignment or subcontracting without consent shall be void. VITA may assign this Contract to any entity, so long as the assignee agrees in writing to be bound by the all the terms and conditions of this Contract.

If any law limits the right of the Parties to prohibit assignment or nonconsensual assignments, the effective date of the assignment shall be sixty (60) days after CAI gives VITA prompt written notice of the assignment, signed by authorized representatives of both CAI and the assignee. Any payments made prior to receipt of such notification shall not be covered by this assignment.

I. Captions

The captions are for convenience and in no way define, limit or enlarge the scope of this Contract or any of its Sections.

J. Severability

Invalidity of any term of this Contract, in whole or in part, shall not affect the validity of any other term. The Parties further agree that in the event such provision is an essential part of this Contract, they shall immediately begin negotiations for a suitable replacement provision.

K. Survival

The provisions of this Contract regarding Rights to Work Product, Warranty, Confidentiality, Liability and Indemnification, Exhibit F and the General Provisions shall survive the expiration or termination of this Contract.

L. Force Majeure

Neither Party shall be responsible for failure to meet its obligations under this Contract if the failure arises from causes beyond the control and without the fault or negligence of the non-performing Party. If any performance date under this Contract is postponed or extended pursuant to this section for longer than thirty (30) calendar days, VITA, by written notice given during the postponement or extension, may terminate CAI's right to render further performance after the effective date of termination without liability for that termination.

M. Remedies

The remedies set forth in this Contract are intended to be cumulative. In addition to any specific remedy, VITA reserves any and all other remedies that may be available at law or in equity.

N. Right to Audit

VITA reserves the right to audit those CAI records that relate to the Subcontractor Services rendered or the amounts due CAI for such services under this Contract. VITA's right to audit shall be limited as follows:

- i). Three (3) years from Service performance date;

- ii). Performed at CAI's premises, during normal business hours at mutually agreed upon times; and
- iii). Excludes access to CAI cost information.

O. Offers of Employment

During the first twelve (12) months of the Contract, should either party hire an employee of the other who has substantially worked on any project covered by this Contract without prior written consent, the hiring party shall be billed for 50% of the employee's annual salary in effect at the time of termination.

P. Contract Administration

CAI agrees that at all times during the term of this Contract an account executive, at CAI's senior management level, shall be assigned and available to VITA. CAI reserves the right to change such account executive upon reasonable advance written notice to VITA.

Q. Entire Contract

The following Exhibits, including all subparts thereof, are attached to this Contract and are made a part of this Contract for all purposes:

- i). Exhibit A CAI's Proposal
- ii). Exhibit B Performance Service Standards
- iii). Exhibit C SWAM Report
- iv). Exhibit D Job Rate Cards/Pricing
- v). Exhibit E Implementation Plan
- vi). Exhibit F Subcontractor Services Agreement Mandatory Terms and Conditions for Subcontractor Agreements
- vii). Exhibit G Transition Plan
- viii). Exhibit H Implementation SOWs
- ix). Exhibit I SMSA Management Guidelines

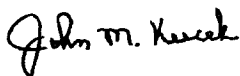
This Contract, its Exhibits, all orders and any prior NDA constitute the entire agreement between the Parties and supersedes any and all previous representations, understandings, discussions or agreements between VITA and CAI as to the subject matter hereof. This Contract may only be amended by an instrument in writing signed by VITA and CAI. In the event of a conflict, the following order of precedents shall apply:

The Contract; Exhibit F, Subcontractor Services Agreement Mandatory Terms and Conditions for Subcontractor Agreements; Exhibit H, Implementation, Exhibit E, Implementation Plan; Exhibit B, Performance Service Standards; Exhibit D, Job Rate Cards/Pricing; Exhibit I, SMSA Management Guidelines, Exhibit A: CAI's Proposal.

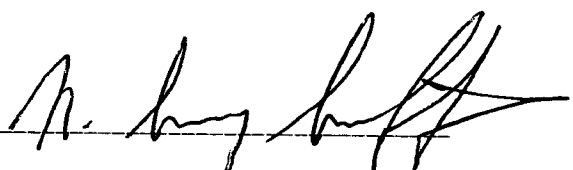
VITA and CAI each acknowledge that it has had the opportunity to review this Contract with its legal counsel.

Executed as of the last date set forth below by the undersigned authorized representatives of the Parties.

CAI VITA



By: _____

By: 

(Signature)

Name: John M. Kucek

(Print)

Title, Its: Region Manager

Date: November 23, 2005

Address for Notice:

James P. Cooney

470 Friendship Road

Harrisburg, PA 17111

Attention: _____

(Signature)

Name: N. Jerry Simonoff

(Print)

Title, Its: Director, Strategic Mgmt. Services

Date: 11/23/05

Address for Notice:

110 South Seventh Street

Richmond, VA 23219

Attention: Contract Administrator

15. EXHIBIT A CAI'S PROPOSAL (INCORPORATED BY REFERENCE

16. EXHIBIT B PERFORMANCE STANDARDS

17. EXHIBIT C SWAM REPORT FORMAT

18. EXHIBIT D JOB RATE CARDS

19. EXHIBIT E IMPLEMENTATION PLAN

20. EXHIBIT F MINIMUM TERM FOR CONTRACTS WITH SUBCONTRACTORS

21. EXHIBIT G SMSA MANAGEMENT GUIDELINES

Exhibit B - Performance Service Standards

Performance Metric	Description	Standard	Performance Target	Calculation	Frequency of Review
Work Request Confirmation	Measures average response time from receipt of request to confirmation of request receipt	4 business hours	92% or higher	Number of requisitions which received confirmation within 4 hours / total number of requisitions	Monthly
Release of Request to Subcontractor base	Measures the time between verification of the request and release of the request to the network	15 minutes	95%	Number of requests released in 15 minutes / number of requests received	
Resume Submittal Response Time	Measures average response time from receipt of request to delivery of candidate resumes	3 business days*	90% or higher	Number of requisitions which received first batch of resumes for review within 72 hours / total number of requisitions	Monthly
Receipt of subsequent batches of resumes	Measures the time to receive subsequent resumes when the initial batch did not result in a match	30 minutes	95%	Time between notice that no resume matched the hiring manager need and receipt of the next batch of resumes(from initial posting)	
Normal Request Fill Rate	Measures Supplier's ability to satisfactorily fulfill requisitions: indicates how many requisitions are open.	100%	92% or higher	Total number of filled positions at month end / total number of requisitions which have been in place over 2 weeks	Monthly
Normal Round 1 Fill Rate	Measures Supplier's ability to satisfactorily fulfill within first round of resumes submitted to requestor (normal requisitions)	N/A	90% or higher	Total number of filled positions resulting from the first round of resume / total number of requisitions filled	Monthly
Urgent Request Response Time	Measures average response time from receipt of URGENT request to delivery of candidate resumes	24 hours	90% or higher	Number of URGENT requisitions which received first batch of resumes for review within 24 hours / total number of URGENT requisitions.	Monthly
Urgent Request Fill Rate	Measures Supplier's ability to fulfill requisitions: indicates how many requisitions are open.	N/A	92% or higher	Total number of URGENT filled positions at month end/ total number of requisitions which have been in place over 2 weeks.	Monthly
Urgent Round 1 Fill Rate	Measure Supplier's ability to fulfill requisitions within first round of resumes submitted to requestor (urgent)	N/A	90% or higher	Total number of URGENT filled positions resulting from the first round of requisitions filled	Monthly
Resource Dismissal	Measures number resources dismissed due to inadequate resource performance	N/A	5% or lower	Number of turnovers (due to inadequate performance) / total number of resources	Monthly
Accurate Billing	Monthly invoice is complete and correct, submitted on time (based on summary report)		99.99%	Number of invoices refused for payment due to inaccurate data/total number of invoices	Semi-annually

Timely Reports	TBD		99.99%		Monthly
Customer Service Survey Results**	Online survey form provided with last invoice per order	100%	100%	Online survey form provided with last invoice per order	Quarterly
System Availability	Solution available to hiring managers, Supplier and subcontractors		99.00%	Measured during normal business hours as determined by the users location.	Monthly

Fill rate is defined as Supplier offering a resource that was acceptable to the hiring manager, was ordered by the hiring manager and actually reported to for work.

* Unless otherwise agreed by the hiring manager in work request.

** At the conclusion of each work assignment, Supplier will provide the hiring manager with an online customer satisfaction survey with their final invoice. Supplier will work with VITA to encourage participation in this program.

A complete discussion of these SLAs is located in **Appendix A: Expanded Answers to RFP, section J.**

Zone 97	Zone 98	Zone 99	Zone 100	Zone 101	Zone 102	Zone 103	Zone 104	Zone 105	Zone 106
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Counties									
Gloucester	CharlesCity	Caroline	Arlington	Albemarle	Amelia	Alleghany	Carroll	Bland	Accomack
IsleofWight	Chesterfield	Culpeper	Clarke	Augusta	Brunswick	Amherst	Craig	Buchanan	Northampton
JamesCity	Dinwiddie	Essex	Fairfax	Fluvanna	Buckingham	Appomattox	Floyd	Dickenson	
Mathews	Goochland	KingandQueen	Fauquier	Greene	Charlotte	Bath	Franklin	Grayson	
Middlesex	Hanover	KingGeorge	Frederick	Highland	Cumberland	BedfordCounty	Giles	Lee	
Southampton	Henrico	Lancaster	Loudoun	Louisa	Greensville	Botetourt	Henry	Russell	
Surry	KingWilliam	Madison	Page	Nelson	Halifax	Campbell	Montgomery	Scott	
Sussex	NewKent	Northumberland	PrinceWilliam	Rockingham	Lunenburg	Pittsylvania	Patrick	Smyth	
York	Powhatan	Orange	Rappahannock		Mecklenburg	Rockbridge	Pulaski	Tazewell	
	PrinceGeorge	RichmondCounty	Shenandoah		Nottoway		RoanokeCounty	Washington	
		Spotsylvania	Warren		PrinceEdward		Galax	Wise	
		Stafford					Martinsville	Wythe	
		Westmoreland					Radford		
							Roanoke, City of		
							Salem		

Cities									
Zone 97	Zone 98	Zone 99	Zone 100	Zone 101	Zone 102	Zone 103	Zone 104	Zone 105	Zone 106
Chesapeake	ColonialHeights	Fredericksburg	Alexandria	Charlottesville	Emporia	Bedford, City of	Galax	Bristol	NA
Franklin	Hopewell		Fairfax	Harrisonburg		Buena Vista	Martinsville	Norton	
Hampton	Petersburg		Falls Church	Staunton		Clifton Forge	Radford		
Newport News	Richmond, City of		Manassas	Waynesboro		Covington	Roanoke, City of		
Norfolk			Manassas Park			Danville	Salem		
Poquoson			Winchester			Lexington			
Portsmouth						Lynchburg			
Suffolk									
Virginia Beach									
Williamsburg									

Implementation Plan

This document contains our implementation plan

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SCOPE AND OBJECTIVE

The scope of this plan is the realization of the Peopleclick VMS and CAI on-site account management team to support the VITA Beta and roll out of the SMSA solution. The objective is to provide for the planning and instructions to the VITA/CAI team to successfully deliver the configured Peopleclick VMS.

IMPLEMENTATION STAFFING PLAN

Implementation of a project of this magnitude requires detailed planning. As a separate document in your proposal, provide a proposed project plan for implementing the SMSA activity outlined in this Section 5, which details the individual tasks, their duration, the resources assigned and each deliverables. Provide detailed description of the ideal plan that you would recommend in order to achieve maximum service levels within a minimal (to be defined prior to contract execution) amount of time following the service implementation start date.

Our solution draws from our recent experience implementing the similar IT Staff Augmentation contracts.

Project Organization

We propose modeling our implementation project team after the one we used in the Commonwealth of Pennsylvania, consisting of

CAI team, Peopleclick team, and VITA and COVA team

The CAI team consists of:

- Implementation Project Manager
- Account Manager
- SMSA Account Staff
- Contract administrator
- Administrative assistant
- Programmers

The Peopleclick team consists of:

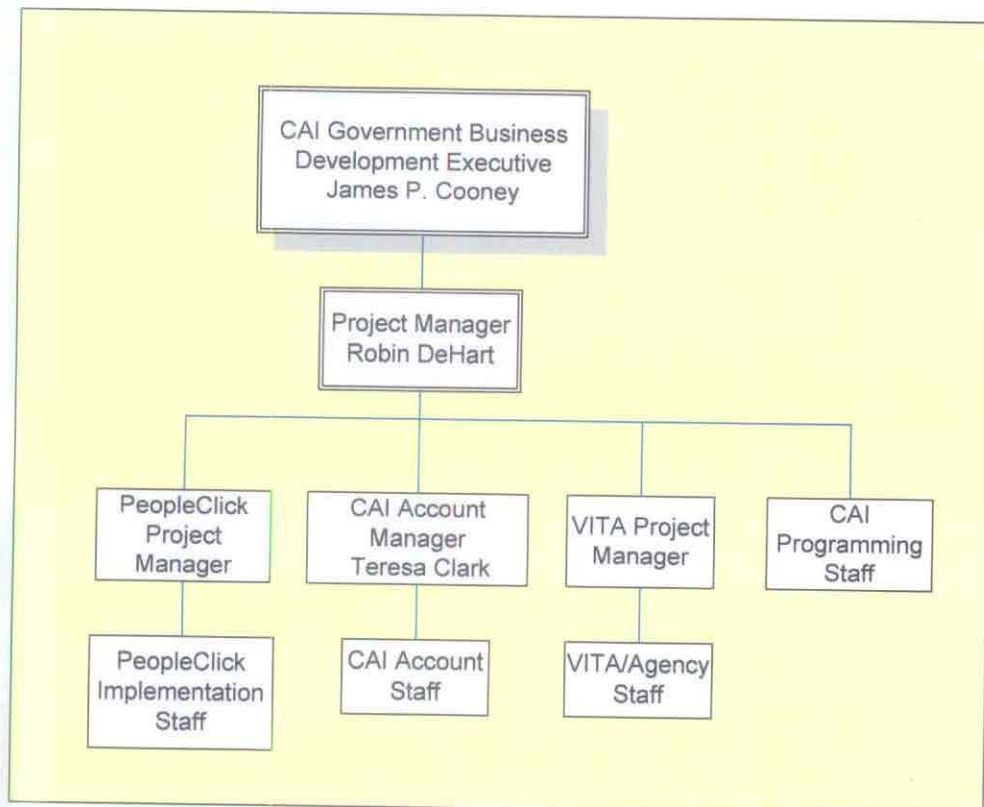
- Peopleclick Project Manager
- Consultants
- Developers

The VITA team consists of:

- VITA Contract Manager
- VITA/Agency Hiring Managers

The VITA project manager will be responsible for resolving conflicts between agencies (resource consumers) and subcontractors and between agencies and VITA. The VITA/COVA hiring managers assigned to the implementation will be responsible for providing input into the development of processes, data gathering as requested, attending Peopleclick training and Peopleclick system testing.

Implementation Team



The accompanying diagram depicts our proposed implementation team. Mr. James P. Cooney is our executive with customer satisfaction responsibility for this project. Robin DeHart will be the CAI implementation start-up manager. She was our implementation project manager for the Commonwealth of Pennsylvania IT Staff Augmentation contract for CAI. Robin has extensive project management experience. Her duties during implementation include:

- Serving as a key point of contact for VITA and all other public bodies
- Interfacing with Peopleclick including their project manager
- Providing weekly status reports

- Maintaining the project plan
- Issues tracking and management
- Ensuring a high quality level of service and a smooth implementation

IMPLEMENTATION PILOT PHASE

Implementation of a project of this magnitude requires detailed planning. As a separate document in your proposal, provide a proposed project plan for implementing the SMSA activity outlined in this Section 5, which details the individual tasks, their duration, the resources assigned and each deliverables. Provide detailed description of the ideal plan that you would recommend in order to achieve maximum service levels within a minimal (to be defined prior to contract execution) amount of time following the service implementation start date.

We developed this customized, proposed implementation pilot plan for VITA SMSA project based on our successful implementation of the Commonwealth of Pennsylvania IT Staff Augmentation project last year. We followed the *Peopleclick VMS Implementation Guide*, which is included in **CAI--SMSA 1.5 Appendix B: Peopleclick Vendor Management System** (page B-43), to develop our original plan. Our project plan has four major tasks which we describe in detail in the following sections. We have assumed receiving intent to award notification on November 30, 2005. The Microsoft Project .mpp file is included for your reference. Deliverables and signoff tasks are denoted as milestones in the project plan.

Deploy Project Team

This task begins with contract award from VITA. The following tasks will be performed:

- Account Staff Training
 - The RFP, CAI's response, job descriptions and details of the contract
- Conduct VITA/CAI kick-off meeting
- Discovery
 - Review of the VITA provided discovery information
 - Requirements Review and VITA acceptance

Review VITA Discovery Information Task

This important task is the reviewing of VITA provided information:

- Suppliers/Vendors

- Requirement/Job Classes (RFP)
- Requirement Template Information
- VMS application Users and roles
- Projects/Cost Centers
- Resource Deployment Locations
- Requisition and hiring Approval processes
- Reporting requirements
- Validate SLAs/reporting
- Current Engaged Contractors and Resources
- Define Vendor Tiers
- Business rule definitions

Critical to this task is the accuracy and completeness of the discovery information gathered by VITA.

Peopleclick Implementation Coordination

This task is central to deploying the project solution and includes the deployment of a Peopleclick demo site, development of the interfaces, setup of the Peopleclick VMS and training for hiring managers and subcontractors. Each major task ends with VITA review and signoff.

Construction Task

The Construction task is comprised of Peopleclick VMS customization and loading of sample data into a user acceptance system, or demo region. This region is used for VITA acceptance and integration testing. CAI will perform a complete integration test which is an end-to-end test of purchase request to invoice.

Upon successful completion of the integration testing and VITA acceptance of the test results, we will proceed with the VITA SMSA Training task.

Peopleclick VMS Training

During this task, the account team, VITA/COVA agency staff and vendors will be trained on the VMS tool, contract terms and conditions, processes and time reporting. Individuals will be sent their login information via email upon successful completion of training.

CAI has assumed 8 training sessions for VITA staff and hiring managers using two VITA-provided training rooms with a capacity of 10 trainees per room. We have also assumed 5 training sessions for subcontractors using the same facilities and capacity. CAI will provide webcast training for those individuals unable to attend on-site training.

Finally, the Peopleclick VMS production site will be populated with the necessary reference data such as rate cards, users, and subcontractors.

VITA SMSA Deployment

This task is centered on the two tasks of developing the information for the subcontractors and delivering the information to the existing subcontractors and resources under the new contract terms and conditions.

Project Management

This is an ongoing task for the duration of the implementation.

Our implementation project manager will provide weekly status reports, maintain the project plan and manage issues.

IMPLEMENTATION DELIVERABLES

We will assist VITA in developing the following deliverables during the implementation phase:

- VITA Business Process Workflow
- Process Documents
 - Security/Background Checks
 - Order Process Exceptions
 - Adding job description/category
 - Checklist for Managers for subcontractor signup
 - Checklist for agency for start of new candidate
 - Final Approval Checklist
 - Candidate Contact Checklist
 - Candidate Engagement Checklist
 - Define Help Desk Ticket/Issue tracking system
 - Help Desk process - email and phone
 - Process for hiring/account manager

- Peopleclick Demo Site
- CAI Invoice Interface
- Agency Information Packet
- Subcontractor Packet
- Status Reports, including a issues
- Project Plan (MS .mpp file)

22. EXHIBIT H-1 - STATEMENT OF WORK ROLL OUT

**SUPPLIER MANAGED STAFF AUGMENTATION GUIDELINES
BETWEEN
COMPUTER AID, INC
AND
VITA**

The following guidelines shall be effective upon the effective date of the SMSA contract and may be changed by VITA from time to time as which time this document must be updated and communicated to CAI.

1. PERIODIC MEETINGS

Impromptu implementation meetings will occur as frequently and often as necessary to complete each task in the SOWs and project plan. The participants and timing will be driven by the task assignments.

Weekly Implementation Status meetings will occur every Monday at 9:30 AM Eastern time and will last approximately 45 minutes. If Monday is a Commonwealth of Virginia holiday, the meeting will occur on Tuesday. During implementation, the participants will be the VITA RollOut Manager, VITA Transition Manager, CAI Transition Manager, and CAI Account Manager. The agenda will be centered on progress against the SOW and project plan and resolving any unexpected issues. CAI will document and publish minutes.

Weekly Project Status meetings will begin after successful implementation and will occur every Monday at 9:30 a.m. Eastern time and will last approximately 30 minutes. If Monday is a Commonwealth of Virginia holiday, the meeting will occur on Tuesday. The participants will be the VITA Contract Manager and CAI Account Manager. The agenda will include: 1) New Requisitions, 2) Transitioned Business, 3) Filled Requisitions, 4) Vendor Performance, 5) Issues and Resolution (Vendor, Hiring Manager, System, Process).

Quarterly meetings will be held within two (2) weeks of the end of the previous quarter. The participants will be the VITA Deputy CIO, VITA Contract Manager, CAI Account Manager, CAI Staffing Managers, and CAI Executive Leadership. The agenda will include: 1) COVA Contract Utilization to include total number of Engagements, total spend (across the enterprise and broken down by agency), breakdown of job categories, and SWAM participation; 2) CAI's Service Level Performance and Customer Satisfaction Survey (completed bi-annually); 3) Subcontractor performance; 4) Issues and Resolution; 5) Process Changes; 6) Trends across agencies, vendors and the market; 7) Networking (Tech Council, MSDC, Job Fairs, Schools).

2. CHANGE MANAGEMENT

A. Change Control Procedures

Within 60 (sixty) days of the Effective Date and as part of the SMSA Services, CAI will deliver to VITA, for VITA's approval, a written description of the change control procedures substantially in the form set forth in Attachment I (the "Change Control Procedures"). All changes to the Systems that would materially alter the functionality or technical environment of the Systems and all material changes to the Projects (each, a "Change"; collectively, "Changes"), will be made pursuant to the Change Control Procedures. No Change will be implemented without VITA's approval except as may be necessary on a temporary basis to maintain the continuity of the Services. CAI will schedule all projects and Changes so as not to unreasonably interrupt VITA business

operations, prepare and deliver to VITA a monthly rolling schedule for ongoing and planned Changes for the next 60 (sixty)-day period, monitor the status of Changes against the applicable schedule and, document and provide to VITA notification (which may be given orally provided that such oral notice is confirmed in writing to VITA within 10 (ten) days) of all Changes performed on a temporary basis to maintain the continuity of the Services no later than the next business day after the Change was made. The Change Control Procedures will be included in the Management Procedures Manual.

3. SUBCONTRACTOR BASE

A. Size of Subcontractor Base

The initial CAI-managed subcontractor base will consist of a minimum of 24 and maximum of 35 subcontractors.

B. Profile of Subcontractors

Subcontractors will be evaluated on their ability to deliver candidates/contractors across all of or within VITA's job categories and in each economic zone to ensure ample coverage across the Commonwealth. Additionally, subcontractors will be evaluated on past performance and compliance with contractual terms and conditions. Business size and financial net worth will not be considered in subcontractor qualification decisions.

C. Contract terms – See Exhibit F

D. Authority to Represent Any Resource

Subcontractor must have written (email is acceptable) authorization from a candidate to represent him or her for a specific requisition. Any unauthorized submittal will be rejected.

E. Registration Process

1. Initial

CAI shall work with VITA's incumbent subcontractors, and Commonwealth agencies to transition seated resources to CAI management or to replace such resources with resources from CAI's vendor network.

- a). If an incumbent subcontractor elects to be an active participant in CAI's vendor network, and it agrees to the terms and conditions and rates as set forth in CAI's IT Services Contract (example in Exhibit F), its resource(s) will be transitioned upon termination of its existing contract.
- b). If an incumbent subcontractor elects not to participate in any capacity, any Commonwealth agency utilizing a resource of such subcontractor may hire a staff augmentation resource for a knowledge transfer before the incumbent subcontractor's contract is terminated. Such Commonwealth agency may be required to replace the existing resource with a new candidate through CAI's vendor network.

2. On-going

A vendor may request to join CAI's vendor network by placing a telephone call or sending an email to CAI's Account Manager. The Account Manager will provide the vendor a general overview of the Contract and, at the vendor's request, will send a "new vendor packet" to such vendor via email. The new vendor packet contains all required documentation for the vendor to register with CAI. Depending on availability and technical expertise, the Account Manager may invite the vendor for a face-to-face meeting at which the vendor shall present a detailed presentation of its services and capabilities. Once the vendor and CAI have completed all required documentation, the vendor shall be deemed pre-qualified and shall be placed on a CAI-maintained list of potential vendors for future consideration.

4. REPORTING

A. Reports

1. Ad Hoc

At any time, the VITA Contract Manager may make a direct request to the CAI Account Manager for an Ad Hoc report. CAI will use its best efforts to create the report in less than 24 hours. Once the report is created, CAI Account Manager will provide training to the VITA Contract Manager on how to run and customize reports. The VITA Contract Manager may run the requested report at any time or request CAI to run the requested report.

2. Standard

Commonwealth managers will follow the same process described in the "Ad Hoc" reports paragraph when requesting reports. Two examples of reports that may be commonly requested across all agencies are:

Monthly - Invoice Detail report - shows by engaged candidate, the number of hours and corresponding billing amount for a specified invoice period (this can be run by agency or for all agencies).

Monthly - Purchase Order (PO) Limit Audit - shows by PO the amount expended and the amount remaining by line item through a given time period (this can be run by agency, by all agencies, or for a specific PO).

5. RECRUITING SUBCONTRACTOR AND RESOURCES

CAI will provide to VITA a Vendor spreadsheet on a monthly basis that will indicate 1) Active Vendors, 2) Pending Vendors, 3) Inactive Vendors.

CAI will provide to VITA a summary of its activities to seek out new potential vendors (e.g., Tech Council, VA MSDC, User Groups, etc.) as a part of its Quarterly Report.

6. PERFORMANCE ASSESSMENT

CAI shall measure vendors against SLAs and the following key performance indicators:

of submittals

% of unique candidates

Average composite score

% submitted within 3 days

% forwarded to hiring manager

% placed

7. BACK GROUND CHECKS

VITA to provide within 30 days of contract effective date

8. ON BOARDING PROCESS – JUDI TO PROVIDE TO JOHN

VITA to provide within 30 days of contract effective date

9. RESUME FULFILLMENT**A. Batch Size**

The initial batch will consist of five (5) resumes. CAI and VITA may agree to adjust the batch size at any time during the Contract term.

B. Sorting Resumes

Resumes will be sorted first on Quality (composite scores) and secondly on Rate, with the exception of candidates whose rates exceed the rate card. Such candidates will not be included in the first batch of resumes unless there are no other qualified candidates.

C. Same Resume From Different Subcontractors

If more than one subcontractor submits the resume of the same candidate in response to a work request, and each subcontractor has secured the candidate's authorization to represent him or her, CAI will select the subcontractor who offers the lowest rate. If each subcontractor offers the same rate, CAI will select the subcontractor with the first submission of the candidate.

10. RATE CARD MANAGEMENT

Rate cards will be evaluated on a semiannual basis, however CAI will raise any reoccurring rate challenges on a case-by-case basis to VITA for immediate consideration at the Weekly Status Meeting.

11. JOB TITLES AND DESCRIPTIONS

The initial job titles, job descriptions and rates are as attached to the Contract , see Exhibit E

CAI will use the ERI enhanced Dictionary of Occupational Titles (eDOT)[®] to develop initial job titles and descriptions. At any time, and in response to market conditions and Commonwealth requirements, CAI may recommend to the VITA Contract Manager additions, deletions, or changes to job titles and descriptions.

23. EXHIBIT H-2 - STATEMENT OF WORK TRANSITION OF CURRENT RESOURCES

24. EXHIBIT G TRANSITION PLAN

The transition plan will include the following:

- a). CAI will develop and submit to VITA a transition plan setting forth the respective tasks to be accomplished by each party in connection with the orderly transition and schedule pursuant to which the tasks are to be completed.
- b). All VITA's Confidential Information shall be promptly delivered or returned (as applicable) to VITA or at VITA's written request destroyed and so certified by CAI.
- c). All documents, records, books, tapes, disks and files provided by VITA (which have not been disposed of with VITA's permission) shall be returned to VITA in substantially the same condition as received, ordinary usage excluded.
- d). CAI will provide VITA with reasonably detailed specifications for all hardware, software or other equipment VITA will require to properly assume and perform the Services previously performed by CAI under this Agreement. This will include a complete list of all software by versions then being used by CAI in connection with the Services hereunder.
- e). CAI will reasonably assist VITA in the installation of any such hardware or equipment obtained by VITA in connection with the transition plan.
- f). If during the course of this Agreement, CAI has developed any software program(s) for use by CAI in providing the Services hereunder or for VITA to which CAI has retained ownership, CAI will grant to VITA a nonexclusive, nontransferable, perpetual license to use the software program(s) including all documentation. VITA and Supplier shall enter into an agreement in form and substance reasonably satisfactory to CAI and VITA containing such terms and conditions as may be appropriate for such a transaction.
- g). CAI will assist VITA to obtain any necessary rights to access, run, copy or otherwise use any third party software then being used by CAI in connection with providing the Service hereunder.
- h). CAI will deliver to VITA copies of existing documentation relating to the Service provided hereunder and as appropriate, including third party documentation.
- i). CAI will delivery to VITA all VITA data in a format or formats reasonably acceptable to VITA in order to eliminate or minimize the effort required to manually enter data or re-key information.
- j). CAI will assist VITA by providing training for VITA employees who will be assuming responsibility for the Services previously provided by CAI hereunder.

Statement of Work 0001

SMSA Roll Out

The objective of this statement of work (SOW) is to develop a detailed implementation plan and then execution of said plan for the purposes of deploying the SMSA solution.

A. Project Scope and Key Assumptions

The scope of this project is the implementation of a pilot of the SMSA Vendor Management Solution including Peopleclick Vendor Management System (VMS), CAI onsite support team, and documented processes, and the implementation to all Executive Agencies. On site personnel will be at VITA's headquarters within two business days.

VMS implementation assumes:

Implementation plan is based on a start date of November 30, 2005, with a VITA BETA start date of Jan 5, and a "Go Live" date of Jan 16th

VITA provides all required information in the prescribed time periods in the provided workbooks

Requisition Workflow is defined and approved

All deliverables will be reviewed and accepted or rejected with comment within three business days.

The roll out will be executed in accordance with the time line set forth in the Implementation Plan, Exhibit E.

B. Schedule

Work on this SOW will commence immediately on the execution by both parties. Work will conclude upon final acceptance of the Peopleclick VMS implementation and acceptance of the CAI SMSA Services team.

C. Deliverables

The following deliverables are due during the implementation phase:

Task	Sub Task	Owner
VITA Business Process Workflow		VITA
Business Rules		CAI
Process Documents for:		
	Security/Background Checks	CAI
	Order Process Exceptions	VITA
	Adding job description/category	VITA
	Checklist for Managers for subcontractor signup	CAI
	Checklist for agency for start of new candidate	VITA
	Final Approval Checklist	VITA
	Candidate Contact Checklist	CAI
	Candidate Engagement	VITA

	Checklist	
	Define Help Desk Ticket/Issue tracking system	CAI/VITA (Level I, II & III)
	Help Desk process - email and phone	CAI/VITA (Level I, II & III)
	Process for hiring manager screening	VITA
Peopleclick Demo Site		CAI
CAI Invoice Interface		CAI
Agency Information Packet		VITA
Subcontractor Packet		CAI
Status Reports, including issues		CAI
Project Plan (MS .mpp file)		CAI

D. Roles and Responsibilities of CAI and VITA

CAI's responsibilities will include:

Provide an on-site single point of contact for the duration of the SOW to manage and coordinate all activities who will act as Project Manager for the Implementation.

Conduct weekly checkpoints, project plan and status updates with the Supplier Manager throughout the project including weekly status reports.

Conduct two "meet and greet" sessions to introduce CAI into the community - one for VITA invited suppliers, and one focused on SWAM supplies.

Provide live staffed help desk from the beginning of VITA BETA through 4 weeks after the "Go Live" date

Establish, maintain and report issue tracking to VITA

Develop eVA Workflow

Update the proposed Implementation Plan refining schedule and assignments

- Act as intermediary between VITA and Peopleclick implementation team for the Peopleclick VMS deployment
- Assist in setup configuration and user acceptance training
- Customization of the following workbooks:
- VMS Org Shell and Pivotal Setup Form.doc
- 4.6-VMS Vendor Implementation Workbook.xls

- 4.6-VMS Implementation Config Workbook.xls
- 4.6-VMS Email Configuration Worksheet.xls
- 4.6-VMS Data Collection Workbook.xls

- Consolidation of VITA and Agency staff responses to the following workbooks:
 - VMS Org Shell and Pivotal Setup Form.doc
 - 4.6-VMS Vendor Implementation Workbook.xls
 - 4.6-VMS Implementation Config Workbook.xls
 - 4.6-VMS Email Configuration Worksheet.xls
 - 4.6-VMS Data Collection Workbook.xls

- Develop Peopleclick Requirement Class templates.

- Finalize/amend job descriptions and wage rates, as needed.

- Hold and/or attend meetings within VITA/Executive agencies to socialize SMSA.

- Develop a draft communication plan to the potential subcontractors and affected hiring managers. Plan will include contract summary, contact information and methods, training schedule and syllabus. Provide draft to subcontractor for review and acceptance within 4 days of contract effective date, as approved by Supplier Manager.

- CAI Staff collect the VITA provided information and consolidate into a VMS Data Collection Workbook-CAI-Draft.xls for Peopleclick VMS implementation.
- Prepare, schedule and conduct training for all VITA (~100) and all Executive Agency (~250) agency hiring managers and administrative staff, as appropriate) according to dates on the implementation plan.
- Training classes are four hours in duration
- CAI will provide two trainers to support two simultaneous classes for up to ten students.
- Provide just in time training

- Prepare, schedule and conduct training for at least 35 Subcontractors. Establish, maintain and report issue tracking to VITA.
- Training classes are two hours in duration
- CAI will provide two trainers to support two simultaneous classes for up to ten students.
- Provide just in time training

- Provide Hiring Manager and Subcontractor training via webcast for those not able to attend onsite training.

- Subcontractor network development:
 - Register and train at least 35 Subcontractor firms before the Exhibit E Implementation Plan "Go Live" date

Detail VITA's responsibilities

Assign a single point of contact, Supplier Manager, for the duration of the SOW to manage and coordinate all activities.

The VITA Project Manager will be responsible for resolving conflicts between agencies (resource consumers) and subcontractors and between agencies and VITA.

Respond to CAI questions in a timely manner

Review and approve CAI updated implementation plan

Coordinate agency and subcontractor meetings and monitor required attendance. Ensure adequate replacements for unavailable attendees.

Provide input into the development of processes, data gathering as requested, attending Peopleclick training and Peopleclick system testing.

Review and approve the following completed workbooks:

- VMS Org Shell and Pivotal Setup Form.doc
- 4.6-VMS Vendor Implementation Workbook.xls
- 4.6-VMS Implementation Config Workbook.xls
- 4.6-VMS Email Configuration Worksheet.xls
- 4.6-VMS Data Collection Workbook.xls

Review and approve CAI developed eVA Workflow and process documents

Approve SMSA Supplier Subcontractor Agreement before submission to subcontractor and before final execution.

Provide training rooms equipped with PCs including internet access

Direct the collection to CAI of the following information:

- Client Users – anyone who will enter or be proxy for entering time
- Review and approve requirement class templates
- Define locations

Participate with hiring managers in the acceptance testing of the customized Peopleclick VMS site.

E. Work Location

All work is to be performed at the VITA's/CAI's location(s) unless otherwise indicated.

F. Knowledge Transfer

As part of this Deliverable, CAI shall make reasonable effort to allow VITA's employees working with CAI on this Deliverable, to observe and learn the following documented items, steps or procedures.

G. Milestone Dates

To be populated from Implementation Plan

H. Acceptance Criteria

All Deliverables of a nature suitable for testing shall be subject to Acceptance (by VITA) under the following procedures:

- 1) Testing of Deliverables. For Deliverable commissioned under an SOW, a reasonable period for testing and error correction shall be considered a normal part of the development process. CAI shall provide reasonable on-site assistance in testing of Deliverables. Following delivery / installation, VITA shall have 3 business days (Test Period) to conduct reasonable testing of the Deliverable to determine whether it performs substantially in accordance with the SOW. VITA shall provide reasonable access to its premises, proper environmental and site conditions, any required test data in proper format and the cooperation of its staff and any other contractors to assist CAI during installation and testing of the Deliverable. On-site testing shall be conducted according to a written test plan approved by CAI. VITA shall provide CAI timely sign-offs as each function on the test plan is demonstrated.
- 2) Correction of Defects. If no material variances from the test plan are identified in writing during the Test Period, the Service shall be deemed accepted by VITA. If material defects are identified during the Test Period, VITA shall provide a written punchlist identifying the particular specification at issue and provide detailed reasons why the tested feature does not meet the specification. CAI shall not be required to correct minor imperfections or defects that do not materially impair the operation or quality of the Service. CAI shall have a reasonable opportunity to correct, replace or provide functional workarounds for all punchlist items or to commence corrective action reasonably acceptable to VITA and proceed with reasonable diligence to completion.
- 3) Acceptance of Services. A Service shall be deemed accepted if VITA does not notify CAI of any material defects during the Test Period or, if VITA makes beneficial use of the Service, it shall conclusively be deemed accepted and any outstanding punchlist items shall be covered to the extent provided under the Warrant section of this Service Addendum.

I. Installation

J. IAW the approved project plan. Point of Contact

For the duration of this project, the following project managers shall serve as the point of contact for day-to-day communication:

VITA: Jenny Larus

CAI: Charles S. Anderson

By signing below, both parties agree to the terms of this Exhibit.

CAI

VITA

By: James P. Cooney
(Signature)
Name: James P. Cooney
(Print)
Title: GM, Government Division
Date: November 23, 2005

By: N. Jerry Simonoff
(Signature)
Name: N. Jerry Simonoff
(Print)
Title: Director, Strategic Management Services
Date: 11/23/05

Statement of Work 0002

A. SMSA Transition

B. Project Scope and Key Assumptions

The objective of this statement of work (SOW) is to develop a detailed implementation plan and then execution of said plan for the purposes of transitioning currently engaged subcontractors to the SMSA solution. The Transition will be executed in accordance with the time line set forth in the Implementation Plan, Exhibit E.

All deliverables will be reviewed and accepted or rejected with comment within three business days.

C. Deliverables

Transition Communication Plan

Customized 4.6 VMS Engaged Contractor Workbook.xls including identification of engaged resources

Subcontractor Training classes (sufficient to train all transitioned subcontractors)

Weekly status reports with issue tracking reports

Frequently Asked Questions (FAQ's)

An acceptable customer satisfaction score by agency hiring managers.

Population of engaged resources into VMS

Successful utilization of time cards by hiring managers and engaged resources.

D. Schedule

Work on this SOW will commence immediately on the execution by both parties. Work will conclude upon final acceptance of successful transition of engaged candidates.

E. Roles and Responsibilities of CAI and VITA

1. CAI's responsibilities will include:

Assign a single point of contact for the duration of the SOW to manage and coordinate all activities.

Provide proactive risk analysis and recommended risk mitigation for the scope of work.

Provide draft a Subcontractor Agreement(s) for review and acceptance

Customize the following workbooks:

4.6 VMS Engaged Contractor Workbook.xls

Collect and consolidate the customized workbooks.

Act as intermediary between VITA and the Peopleclick implementation team.

Assist VITA with the resolution of issues arising from potential subcontractors with engaged candidates. This includes providing supporting pricing, job classification information and contract language interpretation.

Assist VITA in the review and job description mapping for engaged candidates.

Migrate Engaged Resources to SMSA – this includes loading collected data into VMS, executing the Subcontractor Agreement and on boarding of the engaged candidate.

Establish, maintain and report issue tracking to VITA.

Provide VITA weekly status reports.

Provide subcontractors and VITA clients with a "high touch" customer relationship service.

Provide frequently asked questions about SMSA to the Transition Project Manager (TPM).

When asked, provide consistent pre-approved by VITA, answers to questions asked about SMSA.

Provide assistance in helping the TPM resolve issues between SMSA and the Agencies as it pertains to the transitioning of currently engaged resources from their current contract process into the SMSA solution.

Proactively provide VITA with best practices and lessons learned to improve the SMSA process.

Work proactively with agencies and subcontractors to adopt the SMSA program in conjunction with the TPM. This may include but is not limited to such things as agency or subcontractor visits.

Identify potential "failure" points to the TPM of SMSA processes prior to their failure and work with the TPM to prevent failures.

Interface daily with the TPM to assist the TPM in successfully planning and executing the transition plan.

When encountering unique situations that have not previously been encountered and/or institutionalized by the SMSA Transition team, present the situation(s) and the solution recommendation(s) to the TPM for resolution.

Assist the TPM in developing and using scenarios that seated engaged resources can be assigned to, that will enable SMSA to successfully transition each engaged resource into SMSA. This includes but is not limited to the following scenarios:

If the incumbent subcontractor is interested in being an active participant in the SMSA Supplier network, they agree to the T&C's and rates, their resource will be transitioned once their existing contract is terminated.

If the incumbent subcontractor is not interested in participating in the network, but would like to keep their existing resources in place, they can have the opportunity to do so if they agree to the T&C's and rates. They will not receive any new requisitions.

If the incumbent subcontractor is not interested in participating in the network, but would like to keep their existing resources in place, they may have the option to reassign their current contract to another subcontractor. They will not receive any new requisitions.

If the incumbent subcontractor is not interested in participating in any capacity, the agency may be able to hire a staff augmentation resource for a knowledge transfer before the incumbent's contract is terminated.

If the incumbent subcontractor is not interested in participating in any capacity, the agency may be required to replace the incumbent resource with a new candidate through the subcontractor network.

Support the resource transition process by developing and providing Peopleclick VMS operational reports.

Direct authorized user hiring managers in the review and approval of engaged candidate requirements in VMS.

2. Detail VITA's responsibilities

Assign a single point of contact, Transition Project Manager (TPM) for the duration of the SOW to manage and coordinate all activities.

Respond to SMSA Supplier questions in a timely manner.

Coordinate agency meetings and monitor required attendance. Ensure adequate replacements for unavailable attendees.

Review and approve draft communication plan.

Review and approve the customized workbooks:

4.6 VMS Engaged Contractor Workbook.xls

Work with agencies to direct the collection of the VMS Engaged Contractor Workbook.xls and 4.6 VMS Engaged Contractor Workbook.xls.

Cancel engaged subcontractor's contracts for engaged resources.

Communicate with the Agencies, their representatives and the Subcontractors about the SMSA program.

Manage customer relationships between SMSA and the Agencies plus the Subcontractors for the Transition phase.

VITA shall collect frequently asked questions from SMSA Supplier and provide SMSA Supplier with the appropriate answer(s).

Provide frequently asked questions and their answers to SMSA Supplier.

Provide feedback to SMSA Supplier about agency and supplier satisfaction with their SMSA role.

VITA will provide a single point of contact (the TPM) for agencies and suppliers during the Transition phase of the implementation.

Provide SMSA Supplier with office space.

Review and approve a jointly developed risk mitigation plan.

F. Work Location

All work is to be performed at the VITA's/CAI's location(s) unless otherwise indicated.

G. Knowledge Transfer

As part of this Deliverable, CAI shall make reasonable effort to allow VITA's employees working with CAI on this Deliverable, to observe and learn the following documented items, steps or procedures.

H. Acceptance Criteria

All Deliverables of a nature suitable for testing shall be subject to Acceptance (by VITA) under the following procedures:

- 1) Testing of Deliverables. For Deliverable commissioned under an SOW, a reasonable period for testing and error correction shall be considered a normal part of the development process. CAI shall provide reasonable on-site assistance in testing of Deliverables. Following delivery / installation, VITA shall have 3_ business days (Test Period) to conduct reasonable testing of the Deliverable to determine whether it performs substantially in accordance with the SOW. VITA shall provide reasonable access to its premises, proper environmental and site conditions, any required test data in proper format and the cooperation of its staff and any other contractors to assist CAI during installation and testing of the Deliverable. On-site testing shall be conducted according to a written test plan approved by CAI. VITA shall provide CAI timely sign-offs as each function on the test plan is demonstrated.
- 2) Correction of Defects. If no material variances from the test plan are identified in writing during the Test Period, the Service shall be deemed accepted by VITA. If material defects are identified during the Test Period, VITA shall provide a written punchlist identifying the particular specification at issue and provide detailed reasons why the tested feature does not meet the specification. CAI shall not be required to correct minor imperfections or defects that do not materially impair the operation or quality of the Service. CAI shall have a reasonable opportunity to correct, replace or provide functional workarounds for all punchlist items or to commence corrective action reasonably acceptable to VITA and proceed with reasonable diligence to completion.
- 3) Acceptance of Services. A Service shall be deemed accepted if VITA does not notify CAI of any material defects during the Test Period or, if VITA makes beneficial use of the Service, it shall conclusively be deemed accepted and any outstanding punchlist items shall be covered to the extent provided under the Warrant section of this Service Addendum.

I. Point of Contact

For the duration of this project, the following project managers shall serve as the point of contact for day-to-day communication:

VITA: Bill Davis

CAI: Charles S. Anderson

By signing below, both parties agree to the terms of this Exhibit.

CAI

VITA

By: James P. Cooney

(Signature)

Name: James P. Cooney

(Print)

Title: GM, Government Division

Date: November 23, 2005

By: N. Jerry Simonoff

(Signature)

Name: N. Jerry Simonoff

(Print)

Title: Director, Strategic Management Services

Date: 11/23/05

EXHIBIT F

IT SERVICES CONTRACT

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EXHIBIT F

IT SERVICES CONTRACT

THIS SERVICES CONTRACT ("Contract") is entered into by and between Computer Aid, Inc, (hereinafter referred to as "SMSA Supplier"), and _____ ("Subcontractor") to be effective as of _____, 20____ ("Effective Date"). SMSA Supplier and Subcontractor are referred to herein individually as "Party" and collectively as the "Parties."

1. PURPOSE AND SCOPE

This Contract sets forth the terms and conditions under which Subcontractor shall provide Services pursuant to this agreement in accordance with specific orders or Statement of Work attached thereto.

2. DEFINITIONS

A. Acceptance

Acceptance shall take the form of successful performance of the Services at the designated location (receipt), or completed Acceptance testing in conformance with the Requirements as set forth in the applicable order or SOW attached thereto.

B. Confidential Information

Any confidential or proprietary information of a Party that is disclosed in any manner, including oral or written, graphic, machine readable or other tangible form, to the other Party in connection with or as a result of discussions related to this Contract, and which at the time of disclosure either (i) is marked as being "Confidential" or "Proprietary", (ii) is otherwise reasonably identifiable as the confidential or proprietary information of the Disclosing Party, or (iii) under the circumstances of disclosure should reasonably be considered as confidential or proprietary information of the disclosing Party.

C. Deliverable

Means the tangible embodiment of the Services performed or provided by Subcontractor.

D. Order

E. Requirements

The functional, performance, operational, compatibility, Acceptance testing criteria and other parameters and characteristics of the Service described in the order or SOW attached thereto.

F. Subcontractor Service

Any work performed or service provided, including any Deliverable described in the applicable order or SOW attached thereto, by Subcontractor under this Contract.

G. Statement of Work (SOW)

A Statement of Work means any document which, upon signing by both Parties, shall be deemed a part of this Contract, and which describes the deliverables, due dates, assignment duration and payment obligations for a specific project, engagement, or assignment for which Subcontractor shall be providing Services.

H. Subcontractor

Includes any individual who is an employee, sub-contractor, or independent contractor of Subcontractor who is assigned by Subcontractor to perform Services under this Contract.

I. Work Product

The discovery, creation or development of inventions, combinations, machines, methods, formula, techniques, processes, improvements, software designs, computer programs, strategies, specific computer-related know-how, data and original works of authorship (collectively, the "Work Product").

3. TERM AND TERMINATION

Either Party may terminate this Contract, in whole or in part, upon not less than thirty (30) days prior written notice at any time for any reason, provided however that if Subcontractor is providing Services at the time of such notice, the Contract shall terminate at the later of (i) the date of termination specified in such notice, or (ii) the first date that Subcontractor is no longer providing Services pursuant to this Contract.

Either party may submit any contractual dispute to mediation for resolution according to the terms of the Dispute Resolution Section.

4. SERVICES

A. Nature of Services and Engagement

Subcontractor is an independent contractor engaged to perform certain Services, including but not limited to consulting, installation and/or support activities as set forth in any order or SOW attached thereto.

B. Statement of Work (SOW)

All Services shall be performed at the times, locations and rates set forth in the applicable order or SOW attached thereto. All changes in the scope of Service must be described in a written change request, which includes an appropriate adjustment to the price, delivery dates or both. Any authorized Services beyond the scope of an order or applicable SOW attached thereto shall be performed at the hourly rates set forth in the SOW, unless otherwise agreed in writing by the Parties.

5. RIGHTS TO WORK PRODUCT

SMSA Supplier's right to any new work or Deliverable hereunder are for the sole purpose of meeting its contractual obligations to its customer and are not for any other purpose or use.

A. Work Product

SMSA Supplier and Subcontractor each acknowledge that performance of this Contract may result in Work Product(s). Subcontractor agrees that it shall promptly and fully disclose to SMSA Supplier any and all Work Products generated, conceived, reduced to practice or learned by Subcontractor or any of its employees, either solely or jointly with others, during the term of this Contract, which in any way relate to the applicable order or SOW attached thereto. Subcontractor further agrees that neither Subcontractor or Subcontractor's employees, nor any party claiming through Subcontractor or Subcontractor's employees, shall, other than in the performance of this Contract, make use of or disclose to others any proprietary information relating to the Work Product. All Services performed hereunder shall include delivery of all source and object code and all executables and documentation. Subcontractor agrees that SMSA Supplier shall have the right to require Subcontractor to provide a copy of the most recent object or source code to SMSA Supplier's customer at any and all times.

B. Ownership

Subcontractor agrees that, whether or not the Services are considered "works made for hire" or an employment to invent, all Work Product discovered, created or developed under this Contract shall be and shall remain the sole and exclusive property of SMSA Supplier. Except as specifically set forth in writing and signed by both SMSA Supplier and Subcontractor, Subcontractor agrees that SMSA Supplier shall have all rights with respect to any Work Product discovered, created or developed under this Contract without regard to the origin of the Work Product.

If and to the extent that Subcontractor may, under applicable law, be entitled to claim any ownership interest in the Work Product, Subcontractor hereby transfers, grants, conveys, assigns and relinquishes exclusively to SMSA Supplier any and all right, title and interest it now has or may hereafter acquire in and to the Work Product under patent, copyright, trade secret and trademark law in perpetuity or for the longest period otherwise permitted by law. If any moral rights are created, Subcontractor waives such rights in the Work Product. Subcontractor further agrees as to the Work Product to assist SMSA Supplier in every reasonable way to obtain and,

from time to time, enforce patents, copyrights, trade secrets and other rights and protection relating to Work Product, and to that end, Subcontractor and its employees shall execute all documents for use in applying for and obtaining such patents, copyrights, trade secrets and other rights and protection with respect to such Work Product, as SMSA Supplier may reasonably request, together with any assignments thereof to SMSA Supplier or persons designated by it. Subcontractor's and its employees' obligations to assist SMSA Supplier in obtaining and enforcing such rights shall continue beyond the termination of this Contract.

C. Preexisting Code

If and to the extent that any pre-existing rights are embodied or reflected in the Service deliverables, Subcontractor hereby grants to the SMSA Supplier an irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license to (i) use, modify, transmit, execute, reproduce, display, perform, distribute, sublicense copies of and prepare derivative works based upon such pre-existing rights and any derivative works thereof, and (ii) authorize others to do any or all of the foregoing.

6. SUBCONTRACTOR PERSONNEL

A. Selection and Management of Subcontractor Personnel

Subcontractor shall take such steps as may be necessary to ensure that all Subcontractor personnel provided under this Contract are competent and knowledgeable of the contractual arrangements and the applicable order or SOW attached thereto, between SMSA Supplier and Subcontractor. Subcontractor shall be solely responsible for the conduct of its employees and subcontractors and shall ensure that such personnel comply with the appropriate work site security, information security and personnel conduct rules, as well as applicable federal, state and local laws. SMSA Supplier reserves the right to require the immediate removal from such work site of any personnel believed to have failed to comply or whose conduct or behavior is unacceptable or unprofessional or results in a security or safety breach.

B. Subcontractor Personnel Supervision

Subcontractor and SMSA Supplier acknowledge that Subcontractor shall be and is the sole employer of Subcontractor personnel, and shall have sole responsibility to counsel, discipline, review, evaluate, set the pay rates of and terminate the employment of Subcontractor personnel. Subcontractor warrants that it is and shall be the only entity to provide consideration to Subcontractor personnel pursuant to this Contract.

7. REPRESENTATIONS AND WARRANTY OF SUBCONTRACTOR

With respect to the Services provided by Subcontractor, Subcontractor represents and warrants the following:

A. Ownership

Subcontractor has the right to provide the Services, including Deliverables, without violating or infringing any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third party.

B. Performance

- i). All Services shall be performed with care, skill and diligence, consistent with or above applicable professional standards currently recognized in its profession, and Subcontractor shall be responsible for the professional quality, technical accuracy, completeness and coordination of all plans, information, specifications, computer programs, software, Deliverables and Services furnished under this Contract;
- ii). The Services shall meet or exceed the requirements contained in any applicable order or SOW attached thereto;
- iii). The Services shall be performed in a professional manner;

- iv). Subcontractor warrants that the documentation which Subcontractor is required to provide under this Contract shall be sufficient in detail and content to allow a user to understand fully the software or other Deliverables without reference to any other materials or information.

THE OBLIGATIONS OF SUBCONTRACTOR UNDER THIS SECTION ARE MATERIAL. SUBCONTRACTOR MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY CONCERNING MERCHANTABILITY OR FITNESS FOR ANY OTHER PARTICULAR PURPOSE.

8. ORDERS AND COMPENSATION

A. Work Request Fulfillment Process

Any and all Services provided pursuant to this Contract must be pursuant to a written order or SOW attached thereto, and such order or SOW must incorporate by reference all the terms and conditions contained in this Contract.

[Additional terms and conditions addressing the work request fulfillment process may be mutually agreed to by the Parties at a later date.]

B. Fees and Payment

[Terms and conditions addressing fees and payment will be mutually agreed to by the Parties at a later date.]

C. Taxes

[Terms and conditions addressing taxes may be mutually agreed to by the Parties at a later date.]

D. Overtime

E. Acceptance

F. Reimbursement of Expenses

9. SWAM

For each new order or SOW attached thereto, or as mutually agreed by the Parties, all Subcontractor personnel are required to provide certain information related to small, women-owned, and minority-owned (SWAM) business activity.

10. CONFIDENTIALITY

A. Treatment and Protection

Each Party agrees to (i) hold in strict confidence all Confidential Information of the other Party, (ii) use the Confidential Information solely to perform or to exercise its rights under this Contract, and (iii) not to transfer, display, convey or otherwise disclose or make available all or any part of such Confidential Information to any third-party. However, a Subcontractor may disclose Confidential Information directly related to Services provided pursuant to this Contract as delivered by or through SMSA Supplier to Subcontractor personnel that are bound by a non-disclosure agreement with such Subcontractor. Each Party shall take the same measures to protect against the disclosure or use of the Confidential Information as it takes to protect its own proprietary or confidential information (but in no event shall such measures be less than reasonable care).

B. Exclusions

The term "Confidential Information" shall not include information that is:

- i). in the public domain through no fault of the receiving Party or of any other person or entity that is similarly contractually or otherwise obligated;
- ii). obtained independently from a third-party without an obligation of confidentiality to the disclosing Party and without breach of this Contract;

- iii). independently developed by the receiving Party without reference to the Confidential Information of the other Party; or
- iv). required to be disclosed under The Virginia Freedom of Information Act (§§2.2-3700 et seq. of the Code of Virginia) or similar laws or pursuant to a court order.

C. Return or Destruction

Upon the termination or expiration of this Contract or upon the earlier request of the disclosing Party, the receiving party shall (i) at its own expense, (a) promptly return to the disclosing party, which may be Supplier's customer, all tangible Confidential Information (and all copies thereof except the record required by law) of the disclosing party, or (b) upon written request from the disclosing party, destroy such Confidential Information and provide the disclosing party with written certification of such destruction, and (ii) cease all further use of the other party's Confidential Information, whether in tangible or intangible form.

11. LIABILITY AND INDEMNIFICATION

Subcontractor agrees to indemnify, defend and hold harmless SMSA Supplier, its officers, directors, agents and employees ("SMSA Supplier's Indemnified Parties") from and against any and all third party claims, demands, proceedings, suits and actions, including any related liabilities, obligations, losses, damages, fines, judgments, settlements, expenses (including attorneys' and accountants' fees and disbursements) and costs (each, a "Claim" and collectively, "Claims"), incurred by, borne by or asserted against any of SMSA Supplier's Indemnified Parties to the extent such Claims in any way relate to, arise out of or result from: (i) any act of any Subcontractor employee or Subcontractor of Subcontractor, (ii) breach of any representation, warranty or covenant of Subcontractor contained herein, (iii) any defect in the Services, or (iv) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Services. Selection and approval of counsel and approval of any settlement shall be accomplished in accordance with all applicable laws, rules and regulations. In all cases the selection and approval of counsel and approval of any settlement shall be satisfactory to SMSA Supplier.

In the event of a Claim pursuant to any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Services, and in addition to all other obligations of Subcontractor in this Section, Subcontractor shall at its expense, either (a) procure for SMSA Supplier the right to continue use of such infringing Services, or any component thereof; or (b) replace with non-infringing substitute service satisfactory to SMSA Supplier. And in addition, Subcontractor shall provide SMSA Supplier with a comparable temporary replacement Services or reimburse SMSA Supplier for the reasonable costs incurred by SMSA Supplier in obtaining an alternative product in the event such SMSA Supplier's customer cannot use the affected Services. If Subcontractor cannot accomplish any of the foregoing within a reasonable time and at commercially reasonable rates, then Subcontractor shall accept the return of the infringing component of the Services, along with any other components of any products rendered unusable by SMSA Supplier's customer as a result of the infringing component, and refund the price paid to Subcontractor for such components.

EXCEPT WITH REGARD TO CLAIMS FOR PROPERTY DAMAGE, PERSONAL INJURY OR INFRINGEMENT, AND THE INDEMNIFICATION AND CONFIDENTIALITY OBLIGATIONS, WITH RESPECT TO EACH OF WHICH LIABILITY SHALL NOT BE LIMITED PURSUANT TO THIS SECTION, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY (OR THE INDEMNIFIED PARTIES OF SUCH PARTY) FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING (WITHOUT LIMITATION) LOSS OF PROFIT, INCOME OR SAVINGS, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, EXCEPT WHEN SUCH DAMAGES ARE CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE PARTY, ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS.

12. SECURITY COMPLIANCE

For each instance SMSA Supplier may request that Services be provided by the following:

Subcontractor agrees to require all Subcontractor personnel comply with all provisions of SMSA Supplier's then current security procedures for each applicable work location and as are pertinent to

Subcontractor's operation and have been supplied to Subcontractor by SMSA Supplier and further agrees to comply with all applicable federal, state and local laws. Subcontractor shall indemnify, defend, and hold SMSA Supplier, its officers, directors, employees and agents harmless from and against any and all fines, penalties (whether criminal or civil), judgments, damages and assessments, including reasonable expenses suffered by, accrued against, or charged to or recoverable from SMSA Supplier, its officers, directors, agents or employees, on account of the failure of Subcontractor to perform its obligations pursuant this Section.

13. GENERAL PROVISIONS

A. Relationship Between SMSA Supplier and Subcontractor

Subcontractor has no authority to contract for SMSA Supplier or in any way to bind, to commit SMSA Supplier to any agreement of any kind, or to assume any liabilities of any nature in the name of or on behalf of SMSA Supplier. Under no circumstances shall Subcontractor, or any Subcontractor personnel, hold itself out as or be considered an agent or an employee of SMSA Supplier, and SMSA Supplier shall have no duty to provide or maintain any insurance or other employee benefits on behalf of Subcontractor or its personnel. Subcontractor represents and warrants that it is an independent contractor for purposes of all applicable taxes associated with the performance of this Contract. Subcontractor shall be responsible for payment of all applicable taxes associated with the performance of this Contract including, but not limited to, federal, state and local personal income and other payroll taxes payable with respect to the compensation of Subcontractor, its employees, agents and/or subcontractors. Subcontractor shall immediately pay all taxes lawfully imposed upon it with respect to this Contract or any Services provided pursuant to this Contract.

B. Incorporated Contractual Provisions

The contractual provisions at the following URL are statutorily mandated provisions that are hereby incorporated by reference, including the contractual claims provision §2.2-4363 of the Code of Virginia: http://www.vita.virginia.gov/procurement/documents/terms_04-05sw.pdf.

C. Governing Law

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without regard to that body of law controlling choice of law. Any and all litigation shall be brought in the circuit courts of the Commonwealth of Virginia. The English language version of this Contract prevails when interpreting this Contract. The United Nations Convention on Contracts for the International Sale of Goods and all other laws and international treaties or conventions relating to the sale of goods are expressly disclaimed. UCITA shall apply to this Contract only to the extent required by §59.1-501.15 of the Code of Virginia.

D. Dispute Resolution

In the event that the Parties have any dispute, disagreement or cause of action (each, hereinafter, a "Dispute") arising pursuant to this Contract or any order or SOW attached thereto, the aggrieved Party shall first try in good faith to resolve such dispute with the other Party before instituting any legal action with respect to such Dispute. If such informal efforts are unsuccessful, the Parties shall thereafter submit such dispute to non-binding mediation in accordance with the terms of this Section. Upon initiation of any mediation (actual or constructive) the aggrieved Party shall promptly give notice to the other Party that it desires to mediate the Dispute. The aggrieved Party shall cooperate for a period of 90 days (or such shorter period as is necessary to avoid material financial harm to it or avoid prejudicing the enforceability of any of its legal rights) from the date that such notice is mailed (determined by postmark) to the other Party. Such mediation shall be administered by mutual agreement of the Parties, or in the absence of such mutual agreement, by the American Arbitration Association under its Commercial Mediation Procedures. In the event that such Dispute is not resolved to the satisfaction of the aggrieved Party within the time period contemplated above, then the aggrieved Party shall be free to engage in any legal process that it deems appropriate with respect to such Dispute. The foregoing shall not be implied to limit any response that the aggrieved Party may make in response to any lawsuit or other action initiated by the other Party.

In the event of any breach by SMSA Supplier, Subcontractor's remedies shall be limited to claims for damages and Prompt Payment Act interest and, if available and warranted, equitable relief, all such claims to be processed pursuant to this Section. In no event shall Subcontractor's remedies include the right to terminate any license or support services hereunder.

E. Notices

Any notice required or permitted to be given under this Contract shall be in writing and shall be deemed to have been sufficiently given if delivered in person, or if deposited in the US mails, postage prepaid, for mailing by registered, certified mail, or overnight courier service addressed to the addresses shown on the signature page. Either Party may change its address for notice purposes by giving the other Party notice of such change in accordance with this Section.

F. Advertising and Use of Proprietary Marks

Subcontractor shall not use any SMSA Supplier or customer names or refer to any customer directly or indirectly, in any press release or formal advertisement without receiving prior written consent of such SMSA Supplier or customer. In no event may Subcontractor use a proprietary mark without receiving the prior written consent of the owner.

G. No Waiver

Any failure to enforce any terms of this Contract shall not constitute a waiver.

H. Assignment

This Contract shall be binding upon and shall inure to the benefit of the permitted successors and assigns of each party hereto. Subcontractor may not assign, subcontract, delegate or otherwise convey this Contract, or any of its rights and obligations hereunder, to any entity without the prior written consent of SMSA Supplier, and any such attempted assignment or subcontracting without consent shall be void.

If any law limits the right of the Parties to prohibit assignment or nonconsensual assignments, the effective date of the assignment shall be thirty (30) days after the Subcontractor gives SMSA Supplier prompt written notice of the assignment, signed by authorized representatives of both the Subcontractor and the assignee. Any payments made prior to receipt of such notification shall not be covered by this assignment.

I. Captions

The captions are for convenience and in no way define, limit or enlarge the scope of this Contract or any of its Sections.

J. Severability

Invalidity of any term of this Contract, in whole or in part, shall not affect the validity of any other term. The Parties further agree that in the event such provision is an essential part of this Contract, they shall immediately begin negotiations for a suitable replacement provision.

K. Survival

The provisions of this Contract regarding Rights to Work Products, Warranty, Confidentiality, Liability and Indemnification, and the General Provisions shall survive the expiration or termination of this Contract.

L. Force Majeure

Neither Party shall be responsible for failure to meet its obligations under this Contract if the failure arises from causes beyond the control and without the fault or negligence of the non-performing Party. If any performance date under this Contract is postponed or extended pursuant to this section for longer than thirty (30) calendar days, SMSA Supplier, by written notice given during the postponement or extension, may terminate Subcontractor's right to render further performance after the effective date of termination without liability for that termination.

M. Remedies

The remedies set forth in this Contract are intended to be cumulative. In addition to any specific remedy, SMSA Supplier reserves any and all other remedies that may be available at law or in equity.

N. Right to Audit

SMSA Supplier reserves the right to audit those Subcontractor records that relate to the Services rendered or the amounts due Subcontractor for such Services under this Contract, as well as all applicable tax records related to local, state and federal taxes owed for Services provided under this Contract. SMSA Supplier's right to audit shall be limited as follows:

- i). Three (3) years from Service performance date;
- ii). Performed at Subcontractor's premises, during normal business hours at mutually agreed upon times; and
- iii). Excludes access to Subcontractor cost information.

O. Entire Contract

This Contract and any prior NDA constitute the entire agreement between the Parties and supersedes any and all previous representations, understandings, discussions or agreements between SMSA Supplier and Subcontractor as to the subject matter hereof. This Contract may only be amended by an instrument in writing signed by SMSA Supplier and Subcontractor.

SMSA Supplier and Subcontractor each acknowledge that it has had the opportunity to review this Contract with its legal counsel.

Executed as of the last date set forth below by the undersigned authorized representatives of the Parties.

Subcontractor

By: _____

(Signature)

Name: _____

(Print)

Title, Its: _____

Date: _____

Address for Notice:

Attention: _____

SMSA Supplier

By: _____

(Signature)

Name: _____

(Print)

Title, Its: _____

Date: _____

Address for Notice:

Attention: Contract Administrator

EXHIBIT F

IT SERVICES CONTRACT

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EXHIBIT F

IT SERVICES CONTRACT

THIS SERVICES CONTRACT ("Contract") is entered into by and between Computer Aid, Inc, (hereinafter referred to as "SMSA Supplier"), and _____ ("Subcontractor") to be effective as of _____, 20____ ("Effective Date"). SMSA Supplier and Subcontractor are referred to herein individually as "Party" and collectively as the "Parties."

1. PURPOSE AND SCOPE

This Contract sets forth the terms and conditions under which Subcontractor shall provide Services pursuant to this agreement in accordance with specific orders or Statement of Work attached thereto.

2. DEFINITIONS

A. Acceptance

Acceptance shall take the form of successful performance of the Services at the designated location (receipt), or completed Acceptance testing in conformance with the Requirements as set forth in the applicable order or SOW attached thereto.

B. Confidential Information

Any confidential or proprietary information of a Party that is disclosed in any manner, including oral or written, graphic, machine readable or other tangible form, to the other Party in connection with or as a result of discussions related to this Contract, and which at the time of disclosure either (i) is marked as being "Confidential" or "Proprietary", (ii) is otherwise reasonably identifiable as the confidential or proprietary information of the Disclosing Party, or (iii) under the circumstances of disclosure should reasonably be considered as confidential or proprietary information of the disclosing Party.

C. Deliverable

Means the tangible embodiment of the Services performed or provided by Subcontractor.

D. Order

E. Requirements

The functional, performance, operational, compatibility, Acceptance testing criteria and other parameters and characteristics of the Service described in the order or SOW attached thereto.

F. Subcontractor Service

Any work performed or service provided, including any Deliverable described in the applicable order or SOW attached thereto, by Subcontractor under this Contract.

G. Statement of Work (SOW)

A Statement of Work means any document which, upon signing by both Parties, shall be deemed a part of this Contract, and which describes the deliverables, due dates, assignment duration and payment obligations for a specific project, engagement, or assignment for which Subcontractor shall be providing Services.

H. Subcontractor

Includes any individual who is an employee, sub-contractor, or independent contractor of Subcontractor who is assigned by Subcontractor to perform Services under this Contract.

I. Work Product

The discovery, creation or development of inventions, combinations, machines, methods, formula, techniques, processes, improvements, software designs, computer programs, strategies, specific computer-related know-how, data and original works of authorship (collectively, the "Work Product").

3. TERM AND TERMINATION

Either Party may terminate this Contract, in whole or in part, upon not less than thirty (30) days prior written notice at any time for any reason, provided however that if Subcontractor is providing Services at the time of such notice, the Contract shall terminate at the later of (i) the date of termination specified in such notice, or (ii) the first date that Subcontractor is no longer providing Services pursuant to this Contract.

Either party may submit any contractual dispute to mediation for resolution according to the terms of the Dispute Resolution Section.

4. SERVICES

A. Nature of Services and Engagement

Subcontractor is an independent contractor engaged to perform certain Services, including but not limited to consulting, installation and/or support activities as set forth in any order or SOW attached thereto.

B. Statement of Work (SOW)

All Services shall be performed at the times, locations and rates set forth in the applicable order or SOW attached thereto. All changes in the scope of Service must be described in a written change request, which includes an appropriate adjustment to the price, delivery dates or both. Any authorized Services beyond the scope of an order or applicable SOW attached thereto shall be performed at the hourly rates set forth in the SOW, unless otherwise agreed in writing by the Parties.

5. RIGHTS TO WORK PRODUCT

SMSA Supplier's right to any new work or Deliverable hereunder are for the sole purpose of meeting its contractual obligations to its customer and are not for any other purpose or use.

A. Work Product

SMSA Supplier and Subcontractor each acknowledge that performance of this Contract may result in Work Product(s). Subcontractor agrees that it shall promptly and fully disclose to SMSA Supplier any and all Work Products generated, conceived, reduced to practice or learned by Subcontractor or any of its employees, either solely or jointly with others, during the term of this Contract, which in any way relate to the applicable order or SOW attached thereto. Subcontractor further agrees that neither Subcontractor or Subcontractor's employees, nor any party claiming through Subcontractor or Subcontractor's employees, shall, other than in the performance of this Contract, make use of or disclose to others any proprietary information relating to the Work Product. All Services performed hereunder shall include delivery of all source and object code and all executables and documentation. Subcontractor agrees that SMSA Supplier shall have the right to require Subcontractor to provide a copy of the most recent object or source code to SMSA Supplier's customer at any and all times.

B. Ownership

Subcontractor agrees that, whether or not the Services are considered "works made for hire" or an employment to invent, all Work Product discovered, created or developed under this Contract shall be and shall remain the sole and exclusive property of SMSA Supplier. Except as specifically set forth in writing and signed by both SMSA Supplier and Subcontractor, Subcontractor agrees that SMSA Supplier shall have all rights with respect to any Work Product discovered, created or developed under this Contract without regard to the origin of the Work Product.

If and to the extent that Subcontractor may, under applicable law, be entitled to claim any ownership interest in the Work Product, Subcontractor hereby transfers, grants, conveys, assigns and relinquishes exclusively to SMSA Supplier any and all right, title and interest it now has or may hereafter acquire in and to the Work Product under patent, copyright, trade secret and trademark law in perpetuity or for the longest period otherwise permitted by law. If any moral rights are created, Subcontractor waives such rights in the Work Product. Subcontractor further agrees as to the Work Product to assist SMSA Supplier in every reasonable way to obtain and,

from time to time, enforce patents, copyrights, trade secrets and other rights and protection relating to Work Product, and to that end, Subcontractor and its employees shall execute all documents for use in applying for and obtaining such patents, copyrights, trade secrets and other rights and protection with respect to such Work Product, as SMSA Supplier may reasonably request, together with any assignments thereof to SMSA Supplier or persons designated by it. Subcontractor's and its employees' obligations to assist SMSA Supplier in obtaining and enforcing such rights shall continue beyond the termination of this Contract.

C. Preexisting Code

If and to the extent that any pre-existing rights are embodied or reflected in the Service deliverables, Subcontractor hereby grants to the SMSA Supplier an irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license to (i) use, modify, transmit, execute, reproduce, display, perform, distribute, sublicense copies of and prepare derivative works based upon such pre-existing rights and any derivative works thereof, and (ii) authorize others to do any or all of the foregoing.

6. SUBCONTRACTOR PERSONNEL

A. Selection and Management of Subcontractor Personnel

Subcontractor shall take such steps as may be necessary to ensure that all Subcontractor personnel provided under this Contract are competent and knowledgeable of the contractual arrangements and the applicable order or SOW attached thereto, between SMSA Supplier and Subcontractor. Subcontractor shall be solely responsible for the conduct of its employees and subcontractors and shall ensure that such personnel comply with the appropriate work site security, information security and personnel conduct rules, as well as applicable federal, state and local laws. SMSA Supplier reserves the right to require the immediate removal from such work site of any personnel believed to have failed to comply or whose conduct or behavior is unacceptable or unprofessional or results in a security or safety breach.

B. Subcontractor Personnel Supervision

Subcontractor and SMSA Supplier acknowledge that Subcontractor shall be and is the sole employer of Subcontractor personnel, and shall have sole responsibility to counsel, discipline, review, evaluate, set the pay rates of and terminate the employment of Subcontractor personnel. Subcontractor warrants that it is and shall be the only entity to provide consideration to Subcontractor personnel pursuant to this Contract.

7. REPRESENTATIONS AND WARRANTY OF SUBCONTRACTOR

With respect to the Services provided by Subcontractor, Subcontractor represents and warrants the following:

A. Ownership

Subcontractor has the right to provide the Services, including Deliverables, without violating or infringing any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third party.

B. Performance

- i). All Services shall be performed with care, skill and diligence, consistent with or above applicable professional standards currently recognized in its profession, and Subcontractor shall be responsible for the professional quality, technical accuracy, completeness and coordination of all plans, information, specifications, computer programs, software, Deliverables and Services furnished under this Contract;
- ii). The Services shall meet or exceed the requirements contained in any applicable order or SOW attached thereto;
- iii). The Services shall be performed in a professional manner;

- iv). Subcontractor warrants that the documentation which Subcontractor is required to provide under this Contract shall be sufficient in detail and content to allow a user to understand fully the software or other Deliverables without reference to any other materials or information.

THE OBLIGATIONS OF SUBCONTRACTOR UNDER THIS SECTION ARE MATERIAL. SUBCONTRACTOR MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY CONCERNING MERCHANTABILITY OR FITNESS FOR ANY OTHER PARTICULAR PURPOSE.

8. ORDERS AND COMPENSATION

A. Work Request Fulfillment Process

Any and all Services provided pursuant to this Contract must be pursuant to a written order or SOW attached thereto, and such order or SOW must incorporate by reference all the terms and conditions contained in this Contract.

[Additional terms and conditions addressing the work request fulfillment process may be mutually agreed to by the Parties at a later date.]

B. Fees and Payment

[Terms and conditions addressing fees and payment will be mutually agreed to by the Parties at a later date.]

C. Taxes

[Terms and conditions addressing taxes may be mutually agreed to by the Parties at a later date.]

D. Overtime

E. Acceptance

F. Reimbursement of Expenses

9. SWAM

For each new order or SOW attached thereto, or as mutually agreed by the Parties, all Subcontractor personnel are required to provide certain information related to small, women-owned, and minority-owned (SWAM) business activity.

10. CONFIDENTIALITY

A. Treatment and Protection

Each Party agrees to (i) hold in strict confidence all Confidential Information of the other Party, (ii) use the Confidential Information solely to perform or to exercise its rights under this Contract, and (iii) not to transfer, display, convey or otherwise disclose or make available all or any part of such Confidential Information to any third-party. However, a Subcontractor may disclose Confidential Information directly related to Services provided pursuant to this Contract as delivered by or through SMSA Supplier to Subcontractor personnel that are bound by a non-disclosure agreement with such Subcontractor. Each Party shall take the same measures to protect against the disclosure or use of the Confidential Information as it takes to protect its own proprietary or confidential information (but in no event shall such measures be less than reasonable care).

B. Exclusions

The term "Confidential Information" shall not include information that is:

- i). in the public domain through no fault of the receiving Party or of any other person or entity that is similarly contractually or otherwise obligated;
- ii). obtained independently from a third-party without an obligation of confidentiality to the disclosing Party and without breach of this Contract;

- iii). independently developed by the receiving Party without reference to the Confidential Information of the other Party; or
- iv). required to be disclosed under The Virginia Freedom of Information Act (§§2.2-3700 et seq. of the Code of Virginia) or similar laws or pursuant to a court order.

C. Return or Destruction

Upon the termination or expiration of this Contract or upon the earlier request of the disclosing Party, the receiving party shall (i) at its own expense, (a) promptly return to the disclosing party, which may be Supplier's customer, all tangible Confidential Information (and all copies thereof except the record required by law) of the disclosing party, or (b) upon written request from the disclosing party, destroy such Confidential Information and provide the disclosing party with written certification of such destruction, and (ii) cease all further use of the other party's Confidential Information, whether in tangible or intangible form.

11. LIABILITY AND INDEMNIFICATION

Subcontractor agrees to indemnify, defend and hold harmless SMSA Supplier, its officers, directors, agents and employees ("SMSA Supplier's Indemnified Parties") from and against any and all third party claims, demands, proceedings, suits and actions, including any related liabilities, obligations, losses, damages, fines, judgments, settlements, expenses (including attorneys' and accountants' fees and disbursements) and costs (each, a "Claim" and collectively, "Claims"), incurred by, borne by or asserted against any of SMSA Supplier's Indemnified Parties to the extent such Claims in any way relate to, arise out of or result from: (i) any act of any Subcontractor employee or Subcontractor of Subcontractor, (ii) breach of any representation, warranty or covenant of Subcontractor contained herein, (iii) any defect in the Services, or (iv) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Services. Selection and approval of counsel and approval of any settlement shall be accomplished in accordance with all applicable laws, rules and regulations. In all cases the selection and approval of counsel and approval of any settlement shall be satisfactory to SMSA Supplier.

In the event of a Claim pursuant to any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Services, and in addition to all other obligations of Subcontractor in this Section, Subcontractor shall at its expense, either (a) procure for SMSA Supplier the right to continue use of such infringing Services, or any component thereof; or (b) replace with non-infringing substitute service satisfactory to SMSA Supplier. And in addition, Subcontractor shall provide SMSA Supplier with a comparable temporary replacement Services or reimburse SMSA Supplier for the reasonable costs incurred by SMSA Supplier in obtaining an alternative product in the event such SMSA Supplier's customer cannot use the affected Services. If Subcontractor cannot accomplish any of the foregoing within a reasonable time and at commercially reasonable rates, then Subcontractor shall accept the return of the infringing component of the Services, along with any other components of any products rendered unusable by SMSA Supplier's customer as a result of the infringing component, and refund the price paid to Subcontractor for such components.

EXCEPT WITH REGARD TO CLAIMS FOR PROPERTY DAMAGE, PERSONAL INJURY OR INFRINGEMENT, AND THE INDEMNIFICATION AND CONFIDENTIALITY OBLIGATIONS, WITH RESPECT TO EACH OF WHICH LIABILITY SHALL NOT BE LIMITED PURSUANT TO THIS SECTION, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY (OR THE INDEMNIFIED PARTIES OF SUCH PARTY) FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING (WITHOUT LIMITATION) LOSS OF PROFIT, INCOME OR SAVINGS, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, EXCEPT WHEN SUCH DAMAGES ARE CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE PARTY, ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS.

12. SECURITY COMPLIANCE

For each instance SMSA Supplier may request that Services be provided by the following:

Subcontractor agrees to require all Subcontractor personnel comply with all provisions of SMSA Supplier's then current security procedures for each applicable work location and as are pertinent to

Subcontractor's operation and have been supplied to Subcontractor by SMSA Supplier and further agrees to comply with all applicable federal, state and local laws. Subcontractor shall indemnify, defend, and hold SMSA Supplier, its officers, directors, employees and agents harmless from and against any and all fines, penalties (whether criminal or civil), judgments, damages and assessments, including reasonable expenses suffered by, accrued against, or charged to or recoverable from SMSA Supplier, its officers, directors, agents or employees, on account of the failure of Subcontractor to perform its obligations pursuant this Section.

13. GENERAL PROVISIONS

A. Relationship Between SMSA Supplier and Subcontractor

Subcontractor has no authority to contract for SMSA Supplier or in any way to bind, to commit SMSA Supplier to any agreement of any kind, or to assume any liabilities of any nature in the name of or on behalf of SMSA Supplier. Under no circumstances shall Subcontractor, or any Subcontractor personnel, hold itself out as or be considered an agent or an employee of SMSA Supplier, and SMSA Supplier shall have no duty to provide or maintain any insurance or other employee benefits on behalf of Subcontractor or its personnel. Subcontractor represents and warrants that it is an independent contractor for purposes of all applicable taxes associated with the performance of this Contract. Subcontractor shall be responsible for payment of all applicable taxes associated with the performance of this Contract including, but not limited to, federal, state and local personal income and other payroll taxes payable with respect to the compensation of Subcontractor, its employees, agents and/or subcontractors. Subcontractor shall immediately pay all taxes lawfully imposed upon it with respect to this Contract or any Services provided pursuant to this Contract.

B. Incorporated Contractual Provisions

The contractual provisions at the following URL are statutorily mandated provisions that are hereby incorporated by reference, including the contractual claims provision §2.2-4363 of the Code of Virginia: http://www.vita.virginia.gov/procurement/documents/terms_04-05sw.pdf.

C. Governing Law

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without regard to that body of law controlling choice of law. Any and all litigation shall be brought in the circuit courts of the Commonwealth of Virginia. The English language version of this Contract prevails when interpreting this Contract. The United Nations Convention on Contracts for the International Sale of Goods and all other laws and international treaties or conventions relating to the sale of goods are expressly disclaimed. UCITA shall apply to this Contract only to the extent required by §59.1-501.15 of the Code of Virginia.

D. Dispute Resolution

In the event that the Parties have any dispute, disagreement or cause of action (each, hereinafter, a "Dispute") arising pursuant to this Contract or any order or SOW attached thereto, the aggrieved Party shall first try in good faith to resolve such dispute with the other Party before instituting any legal action with respect to such Dispute. If such informal efforts are unsuccessful, the Parties shall thereafter submit such dispute to non-binding mediation in accordance with the terms of this Section. Upon initiation of any mediation (actual or constructive) the aggrieved Party shall promptly give notice to the other Party that it desires to mediate the Dispute. The aggrieved Party shall cooperate for a period of 90 days (or such shorter period as is necessary to avoid material financial harm to it or avoid prejudicing the enforceability of any of its legal rights) from the date that such notice is mailed (determined by postmark) to the other Party. Such mediation shall be administered by mutual agreement of the Parties, or in the absence of such mutual agreement, by the American Arbitration Association under its Commercial Mediation Procedures. In the event that such Dispute is not resolved to the satisfaction of the aggrieved Party within the time period contemplated above, then the aggrieved Party shall be free to engage in any legal process that it deems appropriate with respect to such Dispute. The foregoing shall not be implied to limit any response that the aggrieved Party may make in response to any lawsuit or other action initiated by the other Party.

In the event of any breach by SMSA Supplier, Subcontractor's remedies shall be limited to claims for damages and Prompt Payment Act interest and, if available and warranted, equitable relief, all such claims to be processed pursuant to this Section. In no event shall Subcontractor's remedies include the right to terminate any license or support services hereunder.

E. Notices

Any notice required or permitted to be given under this Contract shall be in writing and shall be deemed to have been sufficiently given if delivered in person, or if deposited in the US mails, postage prepaid, for mailing by registered, certified mail, or overnight courier service addressed to the addresses shown on the signature page. Either Party may change its address for notice purposes by giving the other Party notice of such change in accordance with this Section.

F. Advertising and Use of Proprietary Marks

Subcontractor shall not use any SMSA Supplier or customer names or refer to any customer directly or indirectly, in any press release or formal advertisement without receiving prior written consent of such SMSA Supplier or customer. In no event may Subcontractor use a proprietary mark without receiving the prior written consent of the owner.

G. No Waiver

Any failure to enforce any terms of this Contract shall not constitute a waiver.

H. Assignment

This Contract shall be binding upon and shall inure to the benefit of the permitted successors and assigns of each party hereto. Subcontractor may not assign, subcontract, delegate or otherwise convey this Contract, or any of its rights and obligations hereunder, to any entity without the prior written consent of SMSA Supplier, and any such attempted assignment or subcontracting without consent shall be void.

If any law limits the right of the Parties to prohibit assignment or nonconsensual assignments, the effective date of the assignment shall be thirty (30) days after the Subcontractor gives SMSA Supplier prompt written notice of the assignment, signed by authorized representatives of both the Subcontractor and the assignee. Any payments made prior to receipt of such notification shall not be covered by this assignment.

I. Captions

The captions are for convenience and in no way define, limit or enlarge the scope of this Contract or any of its Sections.

J. Severability

Invalidity of any term of this Contract, in whole or in part, shall not affect the validity of any other term. The Parties further agree that in the event such provision is an essential part of this Contract, they shall immediately begin negotiations for a suitable replacement provision.

K. Survival

The provisions of this Contract regarding Rights to Work Products, Warranty, Confidentiality, Liability and Indemnification, and the General Provisions shall survive the expiration or termination of this Contract.

L. Force Majeure

Neither Party shall be responsible for failure to meet its obligations under this Contract if the failure arises from causes beyond the control and without the fault or negligence of the non-performing Party. If any performance date under this Contract is postponed or extended pursuant to this section for longer than thirty (30) calendar days, SMSA Supplier, by written notice given during the postponement or extension, may terminate Subcontractor's right to render further performance after the effective date of termination without liability for that termination.

M. Remedies

The remedies set forth in this Contract are intended to be cumulative. In addition to any specific remedy, SMSA Supplier reserves any and all other remedies that may be available at law or in equity.

N. Right to Audit

SMSA Supplier reserves the right to audit those Subcontractor records that relate to the Services rendered or the amounts due Subcontractor for such Services under this Contract, as well as all applicable tax records related to local, state and federal taxes owed for Services provided under this Contract. SMSA Supplier's right to audit shall be limited as follows:

- i). Three (3) years from Service performance date;
- ii). Performed at Subcontractor's premises, during normal business hours at mutually agreed upon times; and
- iii). Excludes access to Subcontractor cost information.

O. Entire Contract

This Contract and any prior NDA constitute the entire agreement between the Parties and supersedes any and all previous representations, understandings, discussions or agreements between SMSA Supplier and Subcontractor as to the subject matter hereof. This Contract may only be amended by an instrument in writing signed by SMSA Supplier and Subcontractor.

SMSA Supplier and Subcontractor each acknowledge that it has had the opportunity to review this Contract with its legal counsel.

Executed as of the last date set forth below by the undersigned authorized representatives of the Parties.

Subcontractor

By: _____

(Signature)

Name: _____

(Print)

Title, Its: _____

Date: _____

Address for Notice:

Attention: _____

SMSA Supplier

By: _____

(Signature)

Name: _____

(Print)

Title, Its: _____

Date: _____

Address for Notice:

Attention: Contract Administrator